



Daily Report

Central Eurasia

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Daily Report

Central Eurasia

FBIS-SOV-94-175

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Azerbaijani, Armenian Presidents Continue Talks

LD0909084094 Moscow ITAR-TASS World Service in Russian 0710 GMT 9 Sep 94

[By ITAR-TASS correspondent Vladimir Taranov]

[Text] Moscow, 9 Sep—Levon Ter-Petrosyan and Geydar Aliyev, presidents of Armenia and Azerbaijan, today continued their talks in Moscow on a wide range of bilateral relations. The problem of a settlement of the Karabakh conflict is the main issue. Yesterday the heads of the two states had a one-to-one conversation lasting six hours.

A source close to the Azerbaijani delegation told the ITAR-TASS correspondent that the talks are taking place "in an amicable and even friendly atmosphere."

Chernomyrdin on Creation of CIS Legal Basis

LD0909091094 Moscow ITAR-TASS in English 0817 GMT 9 Sep 94

[By ITAR-TASS correspondents Vladimir Taranov and Gennadiy Yezhov]

[Text] Moscow September 9 TASS—"We have made a perceptible headway in the creation of a legal basis of the alliance, but still a lot remains to be done in this sphere," Russian Prime Minister Viktor Chernomyrdin said, commenting on the first anniversary of the signing of a treaty on the economic alliance of the CIS member states, due to be observed in September. He opened today a regular meeting of the Council of Heads of Government of the Commonwealth of Independent States at the President-Hotel.

It took the European Economic Community (EEC) 35 years to reach its present shape, the Russian prime minister stressed. We do not have that much time, this is why we need a different pace. In the process of work, when tackling various problems, even theoretical ones, we should not lose sight of the practical aspect, he said.

Chernomyrdin suggested that, aside from the discussion on the traditional agenda which includes 20 items, most economic ones and those dealing with the celebration of the forthcoming 50th anniversary of the victory in the Second World War, a meeting of heads of government should be held today for exchanging views on a number of practical issues. In the opinion of Chernomyrdin, this additional meeting could be devoted to the discussion of the most topical problems, primarily economic relations within CIS.

Participants in the meeting of the CIS Council of Heads of State began to discuss problems of the payment alliance, the creation of an interstate economic committee and other problems on the entirely new basis of the integration development of the economic alliance.

CIS Government Heads Council Begins Meeting

LD0909083294 Moscow ITAR-TASS in English 0657 GMT 9 Sep 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[Text] Moscow September 9 TASS—A regular meeting of the CIS Council of Heads of Government opened at the President-Hotel today. The agenda of the meeting of prime ministers of the CIS member states includes some 20 items dealing with a further development of economic integration of the CIS member states, as well as a joint celebration of the forthcoming 50th anniversary of the victory in the Second World War.

A package of economic documents, prepared to be discussed and signed by CIS heads of government, is connected with the implementation of the treaty on the creation of a CIS economic alliance, signed last April. The agreement on the Interstate Economic Committee, which is going to be the first executive body of the economic alliance, and the agreement on the creation of a payment alliance of the CIS member states, which involves the mutual convertibility of national currencies, are the most important of them.

The process of a further consolidation and development of integration process in the Commonwealth of Independent States will be recorded in the memorandum on the guidelines of integration.

Opening today's session, Russian Prime Minister Viktor Chernomyrdin congratulated the Tajik delegation on the national holiday of the Tajik nation, the independence day. "Tajikistan, integrated into the Commonwealth of Independent States, will find it easier to overcome the difficulties it is facing today," Chernomyrdin said.

Guidelines for CIS Economic Committee Agreed

LD0809192194 Moscow INTERFAX in English 1411 GMT 8 Sep 94

[Text] The delegations of 12 CIS member nations agreed on the text of guidelines for the Inter-State Economic Committee. Russian Deputy Prime Minister Aleksandr Shokhin told journalists that this was the main result of the CIS Coordinating and Advisory Committee (CAC) meeting held in Moscow Wednesday.

Shokhin, who chairs the CAC, said that his committee had come to the conclusion that the CIS Economic Union's commission, an auxiliary mechanism rather than a body of authority, had to be replaced by an agency to which CIS member nations could delegate some of their powers.

Decisions will be made in the Inter-State Economic Committee through straightforward democratic procedures such as consensus and qualified majority and by the economic weight of the member states, Shokhin said.

Shokhin is convinced that if the ISEC is set up soon, it will handle numerous issues that now encumber the agenda of the Council of Heads of States, the Council of Heads of Governments and CAC which will focus on the current issues in the bilateral and multilateral relations.

He said that the CIS has now reached the stage when the Commonwealth is capable not only of adopting documents but also of tackling specific issues.

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Sangeli Supports Interstate Economic Committee*LD0809114294 Moscow INTERFAX in English 0954 GMT 8 Sep 94*

[Text] Moldova stands for the creation of an inter-state economic committee as a coordinating and executive body of the CIS economic union, and for the adoption of an agreement on a single payment space. Moldovan Prime Minister Andrei Sangeli told Interfax before his departure to Moscow to attend the meeting of the Council of the CIS Prime Ministers, which is to take place September 9.

He also intends to speak on the consequences of the natural disasters which hit Moldova in summer.

Reliable sources told Interfax that at their meeting CIS prime ministers are expected to adopt an appeal to all CIS countries to render aid to Moldova to help it overcome the aftermath of the drought, hurricane and torrential rains in the summer. The total damage is estimated at 1,200 million leu (4leu=\$1).

Estonian, Latvian UN Envoys Accuse Russia of Breaking Pacts*WS0809111694 Tallinn BNS in English 1009 GMT 8 Sep 94*

[Text] Tallinn, Sep 08, BNS—Estonian and Latvian representatives at the United Nations accuse Russia of breaking the agreements reached earlier and of bringing unjust accusations against the Baltic countries.

A meeting between U.N. representatives of the European Union and Central and East European states took place yesterday at the U.N. representation of Germany in New York to discuss the withdrawal of Russian troops from the Baltic states and the human rights situation in Estonia, Latvia, and Lithuania.

The Estonian representative at the United Nations, Trivimi Velliste, drew attention to Russia's violation of the troop withdrawal agreement. In his words, demobilization of officers in Estonia cannot be regarded as complete withdrawal of the troops.

Aivars Baumanis, the Latvian ambassador to the United Nations, spoke on behalf of the Baltic states about the human rights issue. He emphasized that Russia continually ignores the conclusions of numerous weighty reports, which state that no human rights problem exists in the Baltic states. Baumanis stressed that the Baltic states cannot acquiesce in Russia's attempts to take advantage of the U.N. human rights mechanism in its political interests.

Central Asian Economic Zone Viewed*MM0809112194 Moscow ROSSIYSKIYE VESTI in Russian 6 Sep 94 p 3*

[Article by Professor Boris Plyshevskiy, doctor of economic sciences: "Awaiting Eurasian Union; Regional Economic Zone Formed in Central Asia"]

[Text] In early January 1994 Kazakhstan and Uzbekistan signed an agreement on the formation of a common market, the repeal of customs borders, and the free movement of citizens. In the same month Kirghizia [Kyrgyzstan] acceded to the agreement. In April at Lake Issyk-Kul the leaders of the three countries reached a fundamental agreement on the creation of a regional economic union and the general coordinating organs. This decision was explained by the slowness of the formation of CIS structures and the failure to fulfill the interstate agreements and decisions adopted by the heads of state and government.

At the second meeting of the three countries' presidents, in Alma-Ata, [Almaty] documents were adopted which essentially formed a Central Asian alliance. And although many of the declared decisions are for show and will require a long time to be implemented it would be wrong to consider them to be merely a declaration of intent. Some of the decisions made are already being implemented in practice.

An interstate council consisting of the presidents and prime ministers has been created. Its structure includes a council of prime ministers, which resolves economic questions, a council of foreign ministers, which should coordinate foreign policy issues, and a council of defense ministers, for questions of preserving stability in the region.

The structure of the interstate council provides for the institution of a permanent executive committee with coordination consultation, analytic, and information functions, which will be located in Alma-Ata. The executive committee chairman has already been appointed—a representative of Kazakhstan. The Interstate Council session in Bishkek 6 August reached agreement on the conditions of the executive committee's activity and approved the statute on the creation of the Central Asian Bank.

The creation of this coordination organ anticipates the solution of the same question within the framework of the CIS. Proposals for the formation of an interrepublican economic committee with some controlling functions and the right to make binding decisions, prepared back in September last year, will again be examined by the heads of state only at the forthcoming meeting. The emergence, alongside the secretariat in Minsk, of similar regional organs in Alma-Ata is becoming a reality. Of course it is appropriate here to recall N. Nazarbayev's proposal on the creation of a Eurasian Union.

Initially N. Nazarbayev's proposals were seen only within the framework of the CIS. The states prepared for closer forms of economic and political integration were to create a Eurasian Union. In August it was stated that this integration was also possible within the framework of the Economic Cooperation Organization in which countries of the Near and Middle East (Turkey, Iran, Pakistan, Afghanistan) take part alongside a number of CIS states. But such plans are in the future. Today the reality is the Central Asian Union.

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What are its prospects? Of course the Central Asian Union under certain conditions could merge with CIS organs. But its independent existence is also possible.

Primarily this is promoted by the presence of rich mineral and fuel and energy resources in the region and favorable climatic conditions for food production. Previously the region's economy was specialized in meeting the requirements of the union national economic complex for raw material and fuel. The processing sectors were insufficiently developed and the republics' requirements for foodstuffs and industrial goods were met mainly by imports from Russia. Actually it was the disruption of economic ties and the reduction of trade turnover with Russia which obliged the leadership of the Central Asian states to seek joint ways of resolving economic problems.

The priority avenues of regional cooperation include the buildup of the extraction and export of fuel, the production of export commodities like cotton and nonferrous metals, the processing of agricultural raw material, the joint construction of a gas pipeline and an oil pipeline, railroads, and communications lines.... All this should help the three states to reach the markets of the Near and Middle East, Europe, and Asia. In two or three years the three could become independent of Russian supplies of petroleum products, ferrous metals, and construction materials....

The formation of a common Central Asian market is also promoted by the active penetration of foreign capital into the economy of the region's states and by the restoration of traditional ties with Asia's Muslim countries. Foreign businessmen are attracted by the rich resources, the cheap manpower, preferential conditions for investments and the export of profits, enormous markets for the sale of commodities, and political stability.

The expansion of this alliance through the entry of other states of the region is so far rather problematic. Turkmenistan objects to the formation of any coordinating organs in the CIS. Tajikistan is in the grips of a keen political conflict and so far intends to remain in the ruble zone.

As for Russia, its leadership advocates the consolidation of the CIS as a whole. At the same time, taking into account the reality of the emergence of the Central Asian Union, it is expedient to set up collaboration with the coordination institution of regional cooperation. Otherwise the Asian union will never become a Eurasian one.

ITAR-TASS Carries Press Review for 9 Sep

LD0909060794 Moscow ITAR-TASS in English 0448
GMT 9 Sep 94

[“Press Review”—ITAR-TASS headline]

[Text] Moscow September 9 TASS—A regular meeting of the leaders of the Commonwealth of Independent States (CIS), opening in Moscow on Friday, is the principal topic in Moscow-based newspapers.

IZVESTIYA believes that “an economic union of CIS countries is possible. This must be decided upon in Moscow today”. It is believed that all CIS states are prepared to sign an agreement on the establishment of an Inter-nation Economic Committee (IEC) which, the newspaper emphasises, may become a prototype of a European Union with supranational functions.

IZVESTIYA points out that “the leaders of CIS countries will, for the first time, have to make up their minds and give up part of their national prerogatives and functions. This is called for by the need for CIS countries to integrate their economies with one another”.

ROSSIYSKIYE VESTI on the socio-political crisis in Chechnya.

A forecast for the development of events in that republic was made by Emil Pain, member of the Presidential Council, and Arkadiy Popov, consultant at the Analytical Centre to the Russian president.

They maintain that an analysis of the developments in Chechnya since Dzhokhar Dudayev's advent to power and the beginning of Chechnya's separation from Russia makes it possible to single out three phases.

“The first phase was a period of a successive break-up of the economic and social sectors, and the degradation of the democratic institutions of power and administration. The second phase was a mounting armed struggle for power on an inter-clan basis, and the third one is the start of a civil war,” the political scientists point out.

NEZAVISIMAYA GAZETA believes that the sharply increased threat of the staging of terrorist acts against major economic facilities of the Russian Federation has become one of the most unpleasant consequences of the Chechen crisis.

“Dudayev is known to have repeatedly made public statements threatening to turn Moscow into a “disaster area”. The latest developments, it may be presumed only made him still more determined to do that.

“Therefore Moscow is in a hurry to take measures and decided to punish Chechnya by limiting itself so far to ‘civil’ measures to bring pressure to bear on it. The measures manifested themselves in the sealing of roads, railways and air routes from Chechnya and on the approaches to it.”

KOMSOMOLSKAYA PRAVDA points to another aspect of the Chechen crisis: “a winner in the Chechen war will be not the one who has more soldiers but the one who has more money to buy the services of those soldiers”.

KRASNAYA ZVEZDA (RED STAR) frontpages a report by its correspondent Gennadiy Miranovich from the Totsk test site where the Russian-U.S. Peacekeeper-94 exercises have ended.

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"During the exercises the soldiers of two armies spoke the language of peace," the newspaper said, quoting Russian Defence Minister Pavel Grachev as saying that "the present exercises can be viewed as yet another step towards the establishment of a new security system corresponding to the new geopolitical conditions".

PRAVDA on the Peacekeeper 94-exercises:

"The Joint Russian-U.S. exercises have given rise to mounting concern" among the Russian public because "troops are concerned over the political confrontation between the 'democratic forces' and their opponents, not over some inter-ethnic conflict. This is why American troopers, armed with their own weapons, train themselves in assisting Russian Army units to restore order".

NEZAVISIMAYA GAZETA on an "unexpected" meeting between the leaders of Azerbaijan, Armenia, and Karabakh in Moscow.

The newspaper conveys a point of view of a Karabakh diplomat on the process of settling the Armenian-Azerbaijani conflict.

Most probably, the newspaper remarks, the results of this meeting will be "limited to general political declarations about the need to carry on peace negotiations in Moscow, since there were no signs that the sides are prepared to radically change their policy lines or at least that the talks at foreign ministries' level brought a compromise any closer."

Newspapers report an explosion in a two-storey building on Sormovo Street in Moscow' Vykhino district housing a police passport office. Newspapers are at a loss as to the causes of the explosion which took a toll of seven human lives.

NEZAVISIMAYA GAZETA is of the opinion that that was a terrorist act. KOMSOMOLSKAYA PRAVDA shares the view: "It is not ruled out that a terrorist act was committed in Vykhino".

In TRUD, prominent economist Nikolay Shmelev examines the problems of restructuring and economic reforms. He believes that the crisis of non-payments has become a stumbling-block for the Russian economy.

"The crisis has developed for many reasons. To begin with, the state is to be blamed for it because it "confiscated all the savings of people and enterprises and fought inflation not only by legal methods but also, virtually, by criminal ones—it did not pay for the ordered and manufactured products and did not pay wages and salaries".

"This had both hard economic and political consequences. Trust in the government of reformers and in the state was undermined. I think that it was precisely this undisguised plunder that sharply changed the moral climate in the country and marked the beginning of universal arbitrariness and immorality", Shmelev concluded.

Grachev Comments on Baltics Joining NATO

LD0809174894 Moscow ITAR-TASS World Service in Russian 1611 GMT 8 Sep 94

[By ITAR-TASS correspondent Nikolay Vukolov]

[Text] Copenhagen, 8 Sep—In signing an agreement on military cooperation between Russia and Denmark we have crossed the next frontier in forming new relations, corresponding to contemporary realities, between our states. We are gradually freeing ourselves from the ideological norms and stereotypes of the "Cold War," Russian Defense Minister Pavel Grachev, who is on an official to Denmark, said at a news conference today.

The resultant deepening of constructive partnership on the whole range of the problems of Russian and Danish foreign policy, including in the security sphere, is an objective necessity of our time. Our example of bilateral cooperation in the military sphere will indisputably make a weighty contribution to the developing multilateral process of forming a new model for security and stability on the European continent, he noted.

It is the fifth agreement of this type for Denmark, Danish Defense Minister Hans Haekkerup said on his part. Similar documents have already been signed with Poland and the three Baltic countries. But the agreement with Russia carries special weight as a result of its important role for security in our region. On preparation of the working program for cooperation in 1995, the Danish minister noted that Denmark wished to ensure that as many measures as possible should concern nearby regions, including Kaliningrad Oblast.

Russia does not intend to join NATO, the Russian defense minister stated in reply to a question by the ITAR-TASS correspondent. Russia has joined the "Partnership for Peace" program and we believe that cooperation within the framework of this program should lead to positive results in ensuring security not only in Europe, but also throughout the world.

In connection with this, we have virtually prepared an agreement at the level of experts between Russia and NATO, proceeding from Russia's interests in partnership, and have determined its priorities. As early as this month this program will be studied. As regards Russia joining NATO, this is ruled out. We will follow our own path in creating our own army, strengthening its structures, and raising its combat readiness. As regards peacekeeping activity, we are in favor of it being conducted either within the framework of the United Nations or within the framework of the CSCE process. Of course, we will regard with concern the matter of NATO accepting the membership of any more states.

Replying to a question about the withdrawal of Russian troops from the Baltic states, P. Grachev stressed that the Russian military leadership has withdrawn its troops in good time and in their entirety. As regards the families of servicemen, which for the time being still remain in

Estonia and Latvia and have not left for Russia, they will be there until Russia is able to create the conditions for receiving them.

The Russian minister stressed once again that the Russian Defense Ministry and the General Staff have a negative attitude toward the possibility of the Baltic states joining NATO. It may be that, if in future NATO ceases to be military-political and becomes a political and peace-keeping union, then this will be a different matter. This issue was discussed during talks with H. Haekkerup.

Inasmuch as Russia views other countries joining NATO with such concern, the Danish defense minister said in turn, the matter of them being accepted as members of this bloc could become a lengthy process. However, if this problem is resolved positively, then "NATO might not take into account the view of a state that is not a member of it."

Says Moscow 'Will Not Join NATO'

LD0809163494 Moscow INTERFAX in English 1542 GMT 8 Sep 94

[From the "Diplomatic Panorama" feature: Alexander Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[Text] Russian Defense Minister Pavel Grachev said in Copenhagen on Thursday that Russia will not join NATO. He said that for such a step the system of control over troops should be changed and the arms system unified.

In an interview with journalists Grachev made it clear that Russia will also "painfully" react to the expansion of the North Atlantic bloc. If NATO is to be solely a political bloc, it is another matter, he said.

Speaking about the situation in the Baltic countries, Grachev said that Russian officers and their families will stay in Latvia and Estonia until they receive housing in Russia. We shall forget nobody. We shall also take care of Russian retired officers, he said.

Grachev Calls Totsk Exercises 'Historic'

LD0809235694 Moscow Radio Rossii Network in Russian 1800 GMT 8 Sep 94

[Text] The results of the joint command-headquarters exercises of the U.S. and Russian peacekeeping forces, which ended yesterday at the Totsk range, were summed up on Thursday, 8 September. Military specialists assessed the exercises as successful. Russian Defense Minister Pavel Grachev, who was present at the exercises, gave his opinion about the exercises to the military leadership of the American side through an interpreter.

[Begin Grachev recording, in Russian] I have been a supporter of what has turned out to be historic exercises. I attentively watched every day of the exercises. I am very glad that they are being held here successfully. [end recording]

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As for the view of the actual participants of the exercises, Lieutenant Colonel Aleksandr (Gorovich) told our correspondent Marina (Chernukha):

[Begin (Gorovich) recording] I was very positively impressed by the exercises. It has been beneficial to both sides. There is an opinion that the American were better in some ways. I would not say that this is the case. They were roughly on a par with us. I watched the work of the headquarters and of the commanders and the actions of the personnel and sergeants. The only thing I would like to point out is that the American sergeants are really sergeants. Our sergeants are weaker. As for organization of any actions, such as combat actions in peacekeeping operations, the Americans spend far more time on preparations. We do this faster. As for the result of this in a real-life battle, the quicker one makes a decision and does something faster than the adversary, the more likely one is to win. [end recording]

Further Grachev Comments

MM0909084594 Moscow KRASNAYA ZVEZDA in Russian 9 Sep 94 p 1

[Report by Gennadiy Miranovich: "Two Armies' Men Speaking Language of Peace at Russian-U.S. Exercise"]

[Text] Exercise Area—"We are now both peacekeepers, although you are called John and I am called Ivan." Those simple words taken from a poem published in the Volga Military District's SOLDAT OTECHESTVA [Soldier of the Fatherland] newspaper during the Russian-U.S. exercise at the Totskoye Test Range seem to me to reflect not only the state of mind of its various participants, but also the very concept of the event—to give soldiers from the two armies, representing a new generation of people who have not known the horrors of war, the chance to speak to each other in the language of peace. And in this sense we cannot fail to agree with those who see events at the Totskoye Test Range as a historic event of world importance. That was the assessment made of the exercise in an interview given to KRASNAYA ZVEZDA by Colonel Richard Bridges, head of public relations at the headquarters of the U.S. Army in Europe, by his own media, by the military, and by civilian U.S. journalists.

I do not know what representatives of our media—and there are plenty of them here too (the overall ratio is one journalist for every five exercise participants)—will say about this, but it seems to me that our American colleagues are oh-so-right.

In his speech to the officers and men of the 27th Motorized Rifle and 3d Infantry Divisions, Army General Pavel Grachev, Russian defense minister, said that it was profoundly symbolic that the first Russian-U.S. command-post exercise by peacekeeping forces was being held in the very place where, 40 years ago, the foundations of nuclear confrontation between the United States and the USSR were essentially laid and the

process of preparing for nuclear war got under way. As is well known, it was here at the Totsk Test Range that the first troop exercise involving the use of nuclear weapons was held 14 September 1954. The current exercise is a vivid example of the new nature of relations between our countries and, correspondingly, our armies.

Many examples of this newness could be cited, but I think that two will suffice. Could we really have imagined even quite recently that the U.S. defense secretary would telephone our defense minister directly at the test range to ask him to share his impressions and assessments of what he had seen at the exercise? Or could Colonel Valeriy Mironchenko, commander of the motorized rifle regiment, and Colonel Kate Dayton, commander of the U.S. Army artillery brigade, whose units had faced off against each other in Thuringia, have imagined just three years ago that in 1994 that fate would find them acting as divisional chiefs of staff at a joint command post at a peacekeeping forces' command-post exercise?

Yes, the period of global confrontation between our two systems and of teetering on the brink of world war seems indeed to be over. The current exercise, in the Russian defense minister's opinion, can be seen as yet another step in the direction of creating and shaping a new security system consonant with the new geopolitical conditions. He noted that only shortsighted people or those forces which are using the exercise to play their own political cards—which is something that the participants have, indeed sensed—could fail to understand this.

At the same time, Army Gen. Pavel Grachev noted that he is by no means idealizing the current relations between Russia and the United States and the prospects for them. Both great countries have and will continue to have their own national interests (including some which fail to coincide with each other), but we have one undoubted interest in common—keeping the peace. Russian military formations and military observers are extensively participating in peacekeeping activity. The role of peacekeeping has been carried out by more than 18,000 of our servicemen in Georgia, Tajikistan, Moldavia [Moldova], and the former Yugoslavia. Russia has supplied several dozen military observers for UN peacekeeping operations in Mozambique, Western Sahara, Rwanda, and Palestine.

The Russian defense minister defined the exercise's main results, which, in his opinion, have political and, particularly, military aspects. From the political standpoint the event will promote the strengthening of international security, the development of political relations between the two great countries, and a change in the mentality of those people who are campaigning for a continuation of confrontation.

From the military standpoint the exercise is aimed at enhancing our peacekeeping forces' readiness to perform international peacekeeping operations. Our commanders and staffs have rehearsed in practice elements of command and control, and during the peacekeeping

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operation have worked out uniform views of the tactics of joint actions by peacekeeping force subunits.

In the Russian defense minister's assessment, Generals Anatoliy Sidiyakin and Leonard Holder and their subordinates have coped successfully with their missions. Army Gen. Pavel Grachev made a particularly high assessment of the well coordinated work of the joint command post, the clear-cut actions of the Russian and U.S. soldiers in jointly working through various tactical problems, and the professionalism shown by the American pilots and representatives of Russian Air Force ground services. A final assessment will be made after all the troops return to their places of permanent deployment.

Thus the first-ever Russian-U.S. peacekeeping forces' command-post exercise is ending. By morning on 8 September the staffs and subunits had returned to their initial areas. The Americans are preparing to fly to Germany. But that will not be the end of the peacekeepers' joint exercise. The Russian defense minister reported that the next such exercise—on a larger scale—is planned for next fall on U.S. territory with Russian troops taking part.

It is a real holiday just now at the Totsk Garrison—the cultural program of the exercise is in full swing. There are lots of events planned, including competitions in soccer, volleyball, and...tug-of-war with military vehicles. Since the teams are mixed, only friendship will be the winner.

President Yeltsin To Visit United States 26-29 Sep

LD0809180694 Moscow *ITAR-TASS in English* 1454 GMT 8 Sep 94

[Embargoed by ITAR-TASS until 0800 GMT 12 September]

[Text] Moscow September 8 TASS—Russian President Boris Yeltsin will pay a state visit to the United States of America at the invitation of US President Bill Clinton from September 26-29, the Presidential Press Service has reported.

It is expected that during the visit major international problems as well as problems of the Russian-American strategic partnership will be discussed.

The Russian president is scheduled to hold meetings with American top legislators and representatives of the American business circles.

At the end of his US trip, Yeltsin will visit the city of Seattle.

The Russian president's visit will begin with his address to the United Nations General Assembly on September 26, the press service said.

Sen Leahy Heads Delegation to Nizhny Novgorod

MM0809120994 Moscow *SELSKAYA ZHIZN in Russian* 8 Sep 94 p 1

[ITAR-TASS report under the rubric "From the Chronicle of Recent Days": "From Overseas on Tour of Inspection?"]

[Text] The progress of economic reforms in Nizhny Novgorod was discussed at a meeting of city and oblast leaders with a group of U.S. senators headed by Patrick Leahy, chairman of the Agriculture, Nutrition, and Forestry Committee.

In Gorodetskiy Rayon the visitors familiarized themselves with the introduction of the Nizhny Novgorod model of land reform, which was elaborated in conjunction with representatives of the International Financial Corporation.

Russia May Import 6 Million Tonnes of U.S. Grain

MM0909091994 Moscow *IZVESTIYA in Russian* 9 Sep 94 p 1

[Report by Elmar Guseynov: "We Will Have to Buy Around Six Million Tonnes of Grain"]

[Text] Russia is conducting negotiations on the purchase of 400,000 tonnes of high-quality wheat from the United States. In total, Russia may import around six million tonnes of grain and grain products from America this year.

Negotiations are continuing with U.S. Agriculture Secretary Mike Espy, who is in our country. What we know so far from sources in the Russian Agriculture Ministry and from the services providing the information backup for M. Espy's visit is that the first contract could be worth around \$86 million.

The acute need for grain imports arose because the projected 1994 harvest is 90-95 million tonnes, compared with 99 million tonnes last year.

The interesting thing is that according to U.S. analysts' forecasts, Russia's foreign grain needs should have been 8.1 million tonnes compared with 11 million tonnes last year.

What characterizes the current negotiations is the fact that Russia has bought the grain not through state agencies, but through commercial structures. This could cause problems when it comes to the granting of export credits on the part of the Clinton administration, which has not assigned any guarantees of this kind so far for Russia this year.

Moscow Disagrees With Albright Statement on Peacekeepers

LD0809165694 Moscow *INTERFAX in English* 1412 GMT 8 Sep 94

[From the "Diplomatic Panorama" feature: reports by our diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[Text] All peace-keeping operations on the territory of the former Soviet Union are being carried out in line with the UN Charter, Interfax was told by a Russian senior diplomat.

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Commenting on the recent statement in Moscow by the US Ambassador at the United Nations Madeleine Albright that the sending of the Russian peace-keeping forces to Georgia was neither optimal nor worst decision, considering that due to the political situation in the region the carrying out of a normal UN peace-keeping operation was not possible, the diplomat said "we would like that the world community take more efficient peace-keeping measures, including in Abkhazia".

"Unfortunately, all appeals of the conflicting sides in the Georgian-Abkhazian conflict to the world community were unanswered," he said. "Considering the dangerous situation in Abkhazia, including in terms of refugees, we were forced to organize the operation within the framework of the Commonwealth of Independent States," he said.

"The operation is being carried out in line with the decision of the heads of CIS states to meet the request of the conflicting sides. The main UN principle, the consent of the conflicting sides, is being observed, said the diplomat.

He also said that Moscow does not want to prove to anyone its adherence to the universally-acknowledged principles of peace-keeping: the respect for sovereignty and the observance of neutrality in conflicts. "All Russia's steps in all situations prove its adherence to these norms," he said.

The diplomat said Moscow would not object against the active participation of the world community in the future peace-keeping operations in Nagorno Karabakh. However, he expressed doubt that the wish will be materialized.

Kozyrev Interviewed on Cooperation in Peacekeeping

LD0809165094 Moscow ITAR-TASS in English 0919 GMT 8 Sep 94

[By ITAR-TASS]

[Text] Moscow September 8 TASS—"There is no alternative to cooperation in the protection of peace, if necessary, by means of war," said Russian Foreign Minister Andrey Kozyrev in an interview with the MOSCOW NEWS daily. "The factor of force loses its significance only when it is the expression of senseless ideological confrontation," Kozyrev said. In his opinion, "the other side of the same policy of security and common sense is joint "targeting" against armed extremism."

Kozyrev expressed regret that "someone in the West, who said a great deal about the threat of ultra-nationalists' influence in Russia, is, in fact, tuning in to them." "Perhaps, beneath suspicions that Moscow is making its neo-imperial plans lie their own ambitions of the same kind," Kozyrev said. "Whether it is accidental that instead of consistent departure from the policy of blocs, so natural now that the Warsaw Treaty Organisation no longer exists, a new variant of NATO mania and NATO centrism

appears to the detriment of the CSCE, which was the real winner in the cold war?," Kozyrev said.

"Any plans to monopolise peace-keeping activities in Yugoslavia or create someone's spheres of influence at the expense of ousting Russia from post-Soviet space are as futile, as dangerous," the Russian minister said. "No one is prepared and can assume a special role which belongs to Russia in ensuring stability in the vast region," he said.

"Today, the CSCE maturity is measured by the refusal of "chief mediators" in the Karabakh conflict to struggle for the laurels in favour of rendering practical assistance to diplomatic efforts, and in perspective, to Russia's peace-keeping forces, since there are no real candidates, except Russian servicemen, to carry out this hardest peace-keeping operation, the Russian minister said. A policy conducted in the spirit of the "vanity fair" or according to a formula suggested by an unfortunate American strategist - "rather instability than the restoration of Russia's influence in the Caucasus" is criminal and short-sighted," Kozyrev said.

Contact Group Agrees on Bosnian Border Control

LD0809165494 Moscow INTERFAX in English 1412 GMT 8 Sep 94

[From the "Diplomatic Panorama" feature: reports by our diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[Text] The contact group on former Yugoslavia which met in Berlin agreed Wednesday that international humanitarian controls would be established with Belgrade's aid on the Yugoslav-Bosnian border, a senior official of the Russian Foreign Ministry told Interfax.

He emphasized that it would be a civilian rather than military monitoring. The checkpoints would be manned by humanitarian organizations under the aegis of the International Conference on former Yugoslavia.

The official explained that if Belgrade accepted this proposal, and this was likely because this option had been negotiated with Serbia, then a team of international experts would be set up who would make sure that only humanitarian, not military, cargo reached the Bosnian Serbs.

Once UN Secretary General Butrus Butrus-Ghali reports that this decision has been implemented, the official said, the contact group members, Russia, the U.S.A., Britain, France and Germany, could submit to the UN Security Council a draft resolution calling for easing of sanctions against Belgrade.

The official said that the agreement was an outcome of a compromise which did not infringe on the interests of Yugoslavia as a sovereign state or of the world community.

In his words, the results of the Berlin meeting gave ground for a degree of optimism. He emphasized that,

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not without a strong assist from Russia, the group had become aware that Serbian President Slobodan Milosevic had opted for peace and cooperation with the world community in search for a resolution of the Bosnian crisis and that this change of heart had to be rewarded.

The official said that the financing of the monitoring was under discussion and that the authorities of Serbia were involved in the discussion. That country now monitors the border, letting into Bosnia only humanitarian cargo and blocking military supplies, he explained.

He emphasized that international humanitarian control would be a significant step towards the settlement of the Yugoslav crisis and mark the beginning of lifting the sanctions against Belgrade. In the official's view, these steps may initially apply to air traffic and to supply of certain strategic goods such as oil and oil products for humanitarian purposes.

He believed that putting the Berlin decisions into practice would be the first serious success scored by the contact group. The official added that as confidence was built, Belgrade, Sarajevo and Zagreb could join the peace process.

On the other hand, he noted that the setting up of controls on the Yugoslav-Bosnian border would make it possible to continue humanitarian supplies while cutting military supplies to the Bosnian Serbs. He expressed the hope that isolation would compel the Bosnian Serbs to revise their stance and accept the international peace plan for Bosnia and Herzegovina.

The official said that no date has been set for a new meeting of the contact group attended by foreign ministers. This will depend on the implementation of the decisions made at the Berlin meeting, he explained.

The Russian Foreign Ministry official did not rule out the possibility that the ministers would meet in New York rather than in Geneva.

Karasin Says Lifting Bosnian Arms Embargo 'Extreme'

LD0809222594 Moscow ITAR-TASS World Service in Russian 1253 GMT 8 Sep 94

[By ITAR-TASS diplomatic correspondents Yuriy Kozlov and Andrey Serov]

[Text] Moscow, 8 Sep—The next meeting of foreign ministers of member countries of the contact group for a Bosnian settlement, the so called 'Geneva-4', might take place in the course of the UN General Assembly session which opens in New York at the end of September. This was reported today by Grigoriy Karasin, director of the information and press department of the Russian Foreign Ministry.

According to his testimony, a desire to speed up the preparations for this meeting had been expressed by the

participants in the talks that ended in Berlin on Wednesday between representatives of the countries of the contact group. On the Russian side, Deputy Foreign Minister Vitaliy Churkin took part in these talks.

Karasin said that at the talks in Berlin, the idea of supporting the position of the leadership of Yugoslavia, who had approved the world community's plan for a settlement of the Bosnian crisis and had announced the cessation of any contacts with the Serbian republic in Bosnia who had rejected this plan, had met with support. The prospect of softening sanctions against the FRY had also been discussed. The Russian side is satisfied with progress in the discussion of these matters, the Foreign Ministry spokesman stated. He noted that Moscow intends to support Belgrade's position, including developing bilateral contacts. According to him, it is a matter both of concluding a trade and economic agreement—or even several agreements—and of actions of political support for the principled position of Serbia's President Slobodan Milosevic.

The question of lifting the embargo on deliveries of armaments to Bosnia, the possibility of which is foreseen in the event of a refusal by the opposing sides to accept the peace plan, was not on the agenda of the Berlin talks, the Foreign Ministry spokesman said. However an unofficial exchange of views did take place, he added. As a whole, Karasin noted, the attitude of the participants in the meeting to the idea of setting a fixed time for the adoption of a decision on the lifting of the embargo had been "fairly cool". Russia regards this option as "an extreme measure," which could be used only in the event of the remaining steps proving ineffective. "Our position has not changed and is well known to our partners," the spokesman of the Russian foreign policy department stressed. "One gets the impression that in a whole range of other capitals there is a similar attitude."

Bosnian Conflict May Test Russian-U.S. Partnership

MM0909085394 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 8 Sep 94 p 1

[Article by Aleksey Bausin under the "Main World Event" rubric: "Russia Offers Bosnian Serbs Carrot, United States Offers Stick"]

[Text] It seems that the Russian-U.S. strategic partnership that top officials like to talk about so much at all kinds of summits might be seriously tested in the very near future. And the highly entangled Bosnian conflict will provide that test.

The basis of the potential wrangle is the completely opposing reactions of Moscow and Washington to the Bosnian Serbs' refusal to accept the plan for the territorial division of Bosnia-Herzegovina proposed by the international "contact group" which, apart from Russia and the United States, includes France, Germany, and

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Britain. After the Bosnian Serbs said no to the international plan in a referendum, Serbian President Slobodan Milosevic closed the border with the self-proclaimed Serb Republic. Moscow has stated that such a step should be comprehensively welcomed and that the time has come to discuss the problem of lifting the UN sanctions on Belgrade. This will obviously also be discussed by the Russian representatives at the meeting of contact group experts in Berlin, which is due to work out an action plan for the international mediators in the light of recent events. Incidentally, in the words of the Russian diplomats it cannot be ruled out that the Russian representative will put forward a proposal that the Bosnian Serbs be guaranteed the possibility of creating a confederation with the Federal Republic of Yugoslavia.

However, at the same time that Moscow is using various "carrots" to try to influence the development of the situation, Washington has decided to take a hard line. If the Bosnian Serbs do not accept the territorial division plan before 15 October, the United States will do everything possible to have the arms embargo on the Bosnian Muslims lifted. This must be done, the White House believes, so that the "victims of Serb aggression" are finally able to give their enemies a fitting rebuff.

Such proposals have produced a more than sharp reaction in Moscow. The lifting of the embargo could mean that the conflict will become more bloody and, consequently, that the United Nations will have to wind down the peacemaking mission, Russian Foreign Ministry spokesmen have stated.

In addition, the lifting of the embargo will harm the Muslims rather than help them. The Bosnian Serb forces' military potential is currently superior to that of the Muslims. And if the feeling in Pale, the capital of the Serb Republic, is that the lifting of the embargo is inevitable, the most obvious thing for Bosnian Serb commander General Mladic's people to do in that situation would be to launch a massive offensive on Sarajevo and other Muslim enclaves.

It must be borne in mind here that the delivery of UN humanitarian aid to Sarajevo, Srebrenica, and Gorazde is strictly controlled by the Serbs. If they want they can also shut off the supply of water, gas, and electricity. The precedent was set in summer 1993. In short, if President Clinton insists on the lifting of the embargo, he will thus very probably add another foreign policy mistake to the already long list.

The conflict in former Yugoslavia, on the one hand, gave Russian diplomacy a unique opportunity to state that Moscow is certainly no "featherweight" in the international arena and, on the other, demonstrated that the world in general has no ready remedies yet for ending a war which is based not on a clash of ideologies but national (or nationalist) feelings. Clearly the only opportunity for the international mediators to unravel the "Balkan knot" is to do a deal with the opposing sides, carefully weighing the weight of the "stick" with the size

of the "carrot." And the debate over the dimensions of these two objects could cause friction between Moscow and Washington in the very near future.

PRAVDA Cites Karadzic on Embargo

MM0809112594 Moscow PRAVDA in Russian 8 Sep 94 p 3

[Article by Nikolay Krivomazov: "Embargo: Hard Times and a Bottle of Gasoline. How Ordinary People Live With Economic Blockade in the Balkans"]

[Text] Serb Republic-Republic of Serb Krajina-the front line-Belgrade. A fixed-route bus. No one is taking tickets or taking out a season ticket. Why?

"It's the war," a cunning small boy said tersely.

It is a long way from Belgrade to the real war, the equivalent of Moscow to Karabakh.

The international air route from "Belgrade to the rest of the world" is overgrown with grass. Flights over "Yugoslavia" are banned for all aircraft apart from NATO and UN planes, but to make up for it the latter tear around as though they were at home.

Railroad lines are rusty since no trains come here. And this is the third year now. It is terrible to think. But in "Yugoslavia," a name which I use in quotation marks (I will tell you why later), everything outwardly by no means looks that terrible.

According to some estimates, losses from the embargo total almost \$200 billion. Where has this money gone? One of the simplest answers is that before the war the average wage of a "Yugoslav" was 500, 1,000, or 2,000 marks. Today, God willing, it may reach 100. Where has the rest of the money gone? After all, "Yugoslavs" do not work any worse and they can fight well. Here is the answer supplied by the average "Yugoslav": The money has gone on wages for the average German. Nothing naturally comes from nothing and goes nowhere. The "Yugoslavs" have lost an extensive outlet to the sea. On the other hand, the Croatian side has gotten a luxurious coastline which the Germans are already occupying. The "Third Reich" always fought for an outlet to the sea. And now Germany has paved the way for an outlet to the Adriatic on other people's bones.

Now another word about the Germans.

"Will there be World War III?" I asked Bosnian Serb leader Karadzic, a former psychiatrist, recently a poet, today a president, and tomorrow (if tomorrow proves victorious and peaceful) a top-notch psychiatrist once more.

"There will be no war," the president replied. "In 1914 on the eve of the shooting in Sarajevo Europe (primarily Austro-Hungary) was ripe for war. Today Germany will not fight because it has got what it wanted without war. France and England are starting to get suspicious and can see what they have gotten mixed up in. No, Europe is not ready for World War III today...."

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Nevertheless, everyone but "Yugoslavia" has gained from the war in the Balkans.

Why do I use this word in quotation marks? For the same reason that, when talking about the Soviet Union, I cannot use the phrase "former Union."

"Yugoslavia" has now been divided up into Croatia and Slovenia, which declared their independence, and the world recognized that independence in three days. Serb Krajina rushed to follow them. But in three (three!) years Serbia, with its capital in Belgrade, has been unable to prove the same right to independence. There is the Serb Republic with its interim capital in Pale, a suburb of Sarajevo. Macedonia [FYROM] is also independent and has been recognized by the world. And Montenegro is left with the Serbs. In short, a priceless diamond has been broken up into small stones whose value is incomparably lower.

But what is the origin of the outward well-being in these recognized and unrecognized republics?

Some people consider the Balkan tragedy (for all its ethnic, religious, and other features) to be a war...between town and country. Since time immemorial the Muslims have opted to live in the city. The Croats preferred leadership and sat on rayon committees and city committees. While the Serbs inhabited the villages. That is why all (their) land was cultivated and even the gray stones of Dalmatia were fertile, producing grapes, Bulgarian (Balkan) pepper, and watermelons. There was a lot of meat, wine, and raki.

Pale's city mayor admitted during a conversation that the meat stores are jam-packed for two years ahead and that stocks are being replenished. So much cereal—wheat—has been procured, and by the fall there will be even more. It is the same in Serbia: The country earned millions of dollars from raspberries alone, private sector supplies of which have made this sector truly valuable.

Gasoline.... It is sold at roadsides as in our country. But not by gasoline tankers but in one-liter and other Pepsi bottles. The cost is 2.5 marks a liter, roughly 4,000 rubles a bottle. What can you do: There's a war on.... But where does the gasoline come from when there is an embargo? People laugh: "We pump it out of the Danube. What happens then is a military secret."

Karadzic explained one military secret to me:

[Krivomazov] How long will the Serb Republic last out with the embargo?

[Karadzic] Militarily it will last out two or three years. Economically things will be harder, a little bit, but it will last out nonetheless.

[Krivomazov] But what if....

[Karadzic] If everything comes to an end, we will buy from the Muslims and the Croats. We will sell them food and buy things. We are not only feeding ourselves at the moment....

[Krivomazov] Mr. President, how do you view the fact that Serbs betrayed Serbs and Belgrade agreed to the embargo against you....

[Karadzic] I do not bear Belgrade a grudge. We simply have different views of what is going on. But if Serbia does not lift its sanctions against the Serb Republic we will in turn embark on an economic embargo against the Muslims. And then the Muslims will go running to Belgrade asking for the embargo against us to be lifted.... [Karadzic ends]

The president smiled as if to say that he was both joking and being serious.

However, what is typical is that even the Serbs' enemies are fighting for the embargo to be lifted. But what do the Muslims want in this case? According to UN experts, the Serbs (the victors!) should surrender a considerable proportion of their territory to the Muslims—almost 20 percent.

But there are no fools now even in the depths of the Serbian countryside.

"Who is more liberal as regards the partition of Bosnia and who is the radical?" I asked Karadzic on parting. "Many mass media are after all speaking of the 'manipulation of public opinion,' saying that what Karadzic says will happen."

"I think that the Serb Republic's people and parliament are more categorical than their president as regards Bosnia-Herzegovina's division into Serb, Muslim, and Croat territories," he replied.

The paradox of military upheaval is that patching up an automobile wheel is cheaper than a bottle of beer. Admittedly, the bottle costs almost three German marks and wages, you will remember, are no more than 50-100 marks, which people have not received for months, like many of us.

Were it not for the war, the population would have long since quaked at the lack of money. But the army is feeding virtually everyone. Plus they have backup from their own land.

People are worried by something else far more than lack of money: The economic embargo only applies to one side—the Serbs. The Croats are getting a stream of commodities, including military commodities. The Muslim "stream" is more of a trickle: The Serbs are preventing it. But only the Serbs have been properly punished. As a result they will have no option but to rely solely on their own efforts.

Sanctions on Iraq Can be Lifted if UN Obeyed

LD0809170194 Moscow ITAR-TASS in English 1553 GMT 8 Sep 94

[By ITAR-TASS diplomatic correspondent Valeriy Sevryukov]

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[Text] Moscow September 8 TASS—The economic sanctions against Iraq should be lifted, if it abides by the U.N. decisions. Such a development of events will be in Kuwait's interests, since it will lead to relax tension in the region, Viktor Posuvalyuk, Russian president's special envoy to the Middle East settlement told ITAR-TASS. He was commenting on the meetings with the delegations from Iraq and Kuwait now underway in Moscow.

According to information received by ITAR-TASS, Shaykh Salim al- Sabah, head of Kuwait's National Committee for Prisoners-of-War and Missing People continued his talks in Moscow Thursday afternoon. The Iraqi trade and economic delegation headed by Trade Minister Mohammad Saleh will hold talks in the Russian capital on Monday.

"Russia's position in its approach to the settlement in this region is sincere. That is why for us it is easy to simultaneously hold talks with both countries," Posuvalyuk said. "We would like Iraq to come out of this state, but as a matter of principle, provided it abides by the U.N. Resolution 687 which concerns aspects of disarmament and the termination of its military programmes. Baghdad also must recognize independence and sovereignty of Kuwait and internationally recognized border, and, finally, make clear the fate of Kuwaiti citizens taken prisoners or missing during the war with Kuwait," he said.

According to the Russian diplomat, after Baghdad does this unequivocally, in clear terms and in full, "it can come out of the oil embargo, and later will be freed from all the sanctions imposed on it. Adherence to this position, Russia assumes, will be in the interests of Kuwait as well, he said.

"Lashing up internal dissatisfaction, antipathy to the external world, "locking in" Iraq with sanctions for many years is an unproductive stand from the point of view of long-term prospects of ensuring security in the region. I think that sensible politicians from both sides of the barricades understand this," the special Russian presidential envoy said. He once again emphasised that sanctions on Iraq can be lifted only in case the basic causes, which led to the crisis, are removed.

Karasin Reiterates Support for Iraqi Oil Embargo

LD0809171994 Moscow ITAR-TASS World Service in Russian 1535 GMT 8 Sep 94

[By ITAR-TASS diplomatic correspondents Yuriy Kozlov and Andrey Serov]

[Text] Moscow, 8 Sep—Russia's attitude to the possibility of lifting the "oil embargo" imposed on Iraq and unblocking the situation around that country remains unchanged. Russia believes that Baghdad must fulfill all the relevant UN Security Council resolutions on the post-crisis settlement, including recognition of Kuwait's sovereignty and of the demarcated Iraqi-Kuwaiti border and also must clarify the fate of the Kuwaiti subjects

missing during the conflict. This was stated at a briefing today for Russian and foreign journalists by Grigoriy Karasin, director of the department of information and the press of the Russian Federation Foreign Ministry.

The official spokesman of the foreign policy department also noted that Russia's principled stance on this issue was confirmed yet again during the talks in Moscow with representatives of Iraq and Kuwait. The Baghdad delegation, headed by Trade Minister Muhammad Mahdi Salih, is taking part in meetings of the inter- governmental Russian-Iraqi commission on trade, economic, and scientific-technical cooperation.

The Kuwaiti delegation, headed by Shaykh Salim al-Sabah, chairman of the national committee for prisoners of war and missing persons, came in order to enlist Moscow's support in seeking Kuwaitis missing during the Gulf war. Also, G. Karasin told the ITAR-TASS correspondents that the Kuwaiti side was showing interest in discussing prospects for military-equipment cooperation at a practical level.

In his opinion it was very symbolic that talks were being held in a parallel and constructive manner in the Russian capital with representatives of Kuwait and Iraq. The official spokesman of the Russian Federation Foreign Ministry said this was indicative of the positive role being played by Russia, which strives to smooth contacts between peoples even if they have a history of conflict between them.

Russian Oil Companies Negotiate With Iraqi Officials

LD0809195894 Moscow INTERFAX in English 1631 GMT 8 Sep 94

[Text] The Russian LUKoil company agreed to step up its activities in Iraq. An understanding on this was reached at a meeting between LUKoil President Vagit Alekperov and Iraqi Oil Ministry's Chief Engineer Faysal Al-Nasiry, sources in LUKoil told the Petroleum Information Agency.

That meeting, a LUKoil official emphasized, was part of a working visit by an Iraqi delegation that attended the meeting of the Russian-Iraqi trade and economic and technological cooperation.

A Foreign Economic Relations Ministry expert told the Petroleum Information Agency that the Iraqi delegation would also meet with other Russian companies. A Russian consortium, whose members are LUKoil, Mashinimport, Zarubezhneft foreign trade companies, was formed to operate in Iraq.

LUKoil intends to finance exploitation of Western Kurna and Northern Rumeila oil fields in northern Iraq. A total of \$2.3 billion is needed for oil prospecting and supplies of equipment. The Russian consortium is prepared to negotiate initial investments of between \$800 million and \$1 billion.

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LUKoil experts believe private investments could provide most of the funds needed to start the operation.

A LUKoil official said that Russia was trying to follow in the footsteps of France, whose oil companies are active in Iraq on an unprecedented scale, despite the sanctions.

Many believe Russia enters into agreements with Iraq so as to have a foot in the oil market of the Gulf counties. What is more if international sanctions are lifted, Iraq may start to pay back its debts to Moscow estimated from \$10 to \$16 billion.

International analytical services believe that once Iraq reenters the oil market in 1997, the price of oil will fall from \$20 to \$19 a barrel. Moscow is continuing to press for lifting the international embargo on trade with Baghdad in 1995. Iraq is the third largest oil producer in the Gulf after Saudi Arabia and Iran and a major oil exporter.

Border Guard Agreement Signed With Georgia

LD0809164594 Moscow ITAR-TASS World Service in Russian 1440 GMT 8 Sep 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

[Text] Moscow, 8 Sep—In Moscow today the governments of Russia and Georgia signed an agreement on interstate military traffic in the interests of protecting the external borders of the CIS. The document was signed by Andrey Nikolayev, the head of the Russian Federal Border Guard Service, and Valeriy Chkheidze, the commander of the Georgian border guard troops.

In an exclusive interview with the ITAR-TASS correspondent Major General Chkheidze said that fragments of the document were included in the main framework agreement signed by the heads of the Russian Federation and the Republic of Georgia during the visit by the president of Russia to Georgia in February this year. Chkheidze said the further rapprochement of the nations of the two countries will continue. In the border guard troops a joint agreement is in action. It provides for a procedure for the Georgian youth, officers, and warrant officers to do service in the Russian units protecting the CIS southern borders. "The agreement we signed today on the procedure for transporting military cargoes is yet another step in strengthening links between our countries," Major General Valeriy Chkheidze said.

Spokesman on Armenian-Azerbaijani Talks

LD0809173394 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 8 Sep 94

[Text] Geydar Aliyev and Levon Ter-Petrosyan today arrived in the Russian capital where, at this moment, they are holding talks on the problem of Nagorno-Karabakh with the Russian Foreign Ministry acting as mediator. Earlier on, experts completed work on a major political agreement. The contents of the agreement have not been revealed yet. It is only known that the experts

agree on just half of the questions, Grigoriy Karasin, the Russian Foreign Ministry spokesman, said at a briefing.

[Begin Karasin recording] It is possible to confirm that the sides have demonstrated their willingness to conduct the talks in the constructive mode, to use compromise while searching for solutions to the complex controversies and problems accumulated during the years of conflict. During the present round of the Moscow talks agreements were reached on a number of important provisions contained in the draft document on the political settlement and cessation of hostilities. However, at least one more round of intensive talks will probably be needed for the final agreement on this document to be reached.

On the Russian side the talks are being attended by Ambassador Vladimir Kazimirov, the Russian president's plenipotentiary representative. [end recording]

Official on Tajik Decision To Postpone Election

LD0809203294 Moscow ITAR-TASS in English 1801 GMT 8 Sep 94

[By ITAR-TASS diplomatic correspondents Yuriy Kozlov and Andrey Serov]

[Text] Moscow September 8 TASS—The Tajik leadership's decision to postpone presidential elections and a referendum on the country's Constitution, and to organize them on November 6 will help gain time for making additional efforts aimed at normalizing the military and political situation around Tajikistan, Grigoriy Karasin, director of the Information and Press Department in the Russian Foreign Ministry, said today.

The Russian side, the Russian Foreign Ministry spokesman noted, respects the decision made by the sovereign Tajik state to put off elections, and expressed the hope that voting will be held in a more calm and normal internal political situation. He emphasized that Russia intends to make every possible effort aimed at achieving a long-term solution to the inter-Tajik conflict in the future as well.

Foreign Ministry Official Assesses Jiang Visit

OW0909101794 Moscow Radio Moscow in Mandarin 1000 GMT 8 Sep 94

[Briefing by Afanasyev, first deputy chief of the Russian Foreign Affairs Ministry Asian's Department; from the "Half an Hour With Wang Xiao" program]

[Text] PRC President Jiang Zemin has ended his official visit to the Russian Federation. Afanasyev, first deputy chief of the Russian Foreign Affairs Ministry's Asian Department, has talked to the press about the results of the visit.

Afanasyev said: The visit was made in accordance with an agreement reached by the leaders of the countries during their summit meeting in Beijing in 1992. While in

Moscow, President Jiang Zemin had meetings with President Yeltsin, Premier Chernomyrdin, and the leaders of the two chambers of the Russian Congress of People's Deputies.

The significance of the important documents signed during the visit will go far beyond the 20th century. Among the documents signed are the declaration on consolidating the two countries' long-term partnership and the statement about not aiming nuclear missiles at each other. Moscow has already signed similar accords with the United States and Britain. The signing of these accords, which naturally has improved Russia's credibility with these nuclear powers, is conducive to consolidating international stability.

Afanasyev added: Russia also signed with China an accord on Russia's western border with China. As a result of the accord, the two countries' boundary has been fixed by a law. The demarcation of important border sections will also soon be accomplished. The accord will subsequently be submitted to the parliaments of the two countries for ratification. Meanwhile, talks are still under way on reducing the number of troops which the two countries have deployed along border areas. In the near future, all border-related problems will be resolved. The border will become a border of peace and cooperation.

Afanasyev continued: The volume of Russian-Chinese trade, which hit a record high last year, declined somewhat in 1994. It appears that the mode of trade is outdated and it will be replaced by a new mode of cooperation. The leaders of the two countries pointed out that a decline in the trade volume was a temporary phenomenon. Russia will continue to provide China with equipment, including equipment for thermal power plants.

In conclusion, Afanasyev stated: President Jiang Zemin's visit was a significant event in the Russian-Chinese relations. It showed that leaders of the two countries wanted to have contacts with each other. Everyone knows the PRC president has invited President Yeltsin to visit China, and the Russian side has also invited Premier Li Peng to visit Russia in 1995. Russia has also invited Qiao Shi, chairman of China's National People's Congress Standing Committee, to visit Russia. On the part of China, it has invited Shumeyko, chairman of the Council of the Federation, and other Russian Government officials to visit China.

Investigation Held Into Money Laundering in Cyprus

LD0909095294 Moscow ITAR-TASS in English 0927 GMT 9 Sep 94

[By ITAR-TASS correspondent Aleksey Yerovchenkov]

[Text] Nicosia September 9 TASS—Cyprus journalists for almost a week have been following three high-rank officers from a delegation of the Russian Interior Ministry, wishing to ask them if they really have come to

Nicosia to trace the "Russian mafia" in Cyprus, the newspaper CYPRUS MAIL noted.

Things turned out to be much simpler. The delegation of the Russian Interior Ministry concluding official contacts with Cyprus colleagues here on Friday discussed above all the ways of the implementation of the Russo-Cyprus agreement on cooperation between the interior ministries.

Prevention of the laundering of criminally gained money is now of much importance, colonel of the militia K. Shalenzov, chief of a department of the main agency on economic crimes in the Russian Interior Ministry, a member of the delegation, told ITAR-TASS. This problem is new to Russia. A legislative base for coping with the problem and methods of law enforcement bodies are now worked out.

So during the visit the delegation sought to familiarise itself with the legislative base of the Republic of Cyprus regulating relations arising of connection with money being laundered. Russian officials also familiarised themselves with interaction between law enforcement bodies and financial structures.

During the visit, the members of the delegation also tried to establish if rumours of offshore companies with the participation of the Russian capital having been penetrated by criminals were true, Shalenzov said. The Cyprus authorities had no complaints about the activity of offshore companies with the participation of the Russian capital, he said.

It was learned from the Cyprus side that some 15,000 Russian citizens visited Cyprus last year. Out of this number some 68 people posed slight problems such as the failure to prolong documents on time and some occasions of slight misunderstanding regarding money. There has been no mention of any serious lapses. In a word, it is wrong to say that the "Russian mafia" has a foothold in Cyprus, Shalenzov said.

Moreover, the mechanism regulating financial procedure in Cyprus makes it possible to pinpoint negative phenomena on time and prevent them, he said.

An offshore company cannot be opened without appropriate government decision and checks. Capital investments cannot be made in Cyprus unless the origin of the money is explained. Some aspects of this law enforcement system will be introduced in Russia, too. It is a pleasure that Cyprus is truly a safe zone conducive to business and to vacationing. Shalenzov believes this is due to the efforts of the local police and respect for law characteristic of the Cyprus society.

Andreas Malaos, the general director of the Ministry of Justice and Public Order of the Republic of Cyprus, described the visit of the Russian delegation as important, useful and conducive to the consolidation of interstate friendly relation at every level and in every area, including that of combatting organised crime.

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Yeltsin Cables Mongolian Leader on Joint 1939 Victory

LD0809210794 Moscow ITAR-TASS World Service in Russian 1101 GMT 8 Sep 94

[By ITAR-TASS correspondent Kim Boldokhinov]

[Text] Ulaanbaatar—"In 1939, the armies of our two countries joined forces in Khalkin-gol to defend the freedom and independence of Mongolia and to ensure the safety of Russia's eastern borders. The battle of Khalkin-gol not only heralded the imminent end of the Second World War but also the beginning of the Great Victory of 1945." This was in the telegram sent by Russian President Yeltsin to Mongolian President Punsalmaagiyn Ochirbat to mark the 55th anniversary of the joint victory by Russian and Mongolian troops on the Khalkin-gol river.

President Yeltsin noted that he is confident that further development of the traditionally friendly relations between Russia and Mongolia is in the national interests of the two peoples and contributes to stability and security in the Asian-Pacific region. Yeltsin sent best wishes for the happiness of the Mongolian leader and all the Mongolian people.

Malaysian Delegation Discuss Military Cooperation

LD0809195494 Moscow ITAR-TASS in English 1632 GMT 8 Sep 94

[By ITAR-TASS correspondent Mikhail Shevtsov]

[Text] Moscow September 8 TASS—A Malaysian military delegation headed by Army Commander-in-Chief General Ismail Omar is on a visit in Moscow.

The press service of the state-owned company "Rosvooruzheniye" told ITAR-TASS that this visit is yet another step in broadening military-technical cooperation between the two countries.

According to the head of the Malaysian delegation, the main aim of the visit to Russia is to establish contacts between land forces and defence enterprises of the two countries which produce military equipment for them. Ismail Omar noted that his country's land and air forces are in the phase of improving their material and technical base, and are searching for information on markets of arms, including the Russian market.

The Malaysian delegation met the Commander-in-Chief of the Russian Land Forces Colonel-General Vladimir Semyonov, Deputy Director-General of the state-owned company "Rosvooruzheniye" Pavel Trishin, and representatives of the General Staff. During its visit to the Frunze Military Academy, the Malaysian military officers familiarized themselves with samples of Russian armoured and artillery equipment and anti-air missile systems.

According to "Rosvooruzheniye" press service, both sides expressed desire of signing a memorandum of understanding on further widening military-technical cooperation between Russia and Malaysia with a view to create a basis for the development of contacts in this sphere. However, the Malaysian experts did not rule out the possibility of purchasing Russian military equipment for the land forces even before signing the memorandum.

Malaysia has become the first country through which Russia has entered the south-east Asian arms market. Russia and Malaysia had signed a contract for the delivery of 18 Russian "MIG-29" fighter aircraft worth 550.5 million U.S. dollars to Malaysia in the Malaysian capital Kuala Lumpur on June 7, 1994. The first Russian fighter plane is scheduled to be delivered to Malaysia in April 1995.

Border Forces' Kudinov Describes Violations Near Kurils

MM0809130594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 8 Sep 94 p 2

[Interview with Vice Admiral Nikolay Kudinov, commander of the Russian Federation Border Troops Maritime Forces, by Vladimir Zaynetdinov; date and place not given: "Vice Admiral Nikolay Kudinov: We Are Boarding Because Politicians Are Adrift"]

[Text] In a talk with your KOMSOMOLSKAYA PRAVDA correspondent Vice Admiral Nikolay Kudinov, commander of the Russian Federation Border Troops Maritime Forces, analyzes the situation regarding the South Kuril islands.

[Zaynetdinov] They say that formerly the border guards would use weapons virtually only after agreement with the Kremlin. But now shooting has become almost the norm. Not only the Japanese newspapers but also some Russian ones are publishing reports about the tyranny of Russian borders guards in the South Kurils region. Nearly every day machine gun fire is heard there, intimidating exercises are held ostentatiously, and border guards chase after not only poachers but also fishermen with licenses....

[Kudinov] We have the law "on the Russian Federation State Border" which clearly defines the border troops' powers. Weapons are used only in accordance with this law. Here I want to draw attention to the fact that the patrol ships sometimes do not shoot by the so-called basic method—when artillery pieces are targeted with the aid of radar. In that case a direct hit is assured and that means inevitable death for the schooner and crew. Only dummies are used for firing. Recently we have been using warning shots fired across the course angle of the violator's ship. As a rule the shells land 20-30 cable lengths ahead of the schooner.

There have never been exercises near the South Kurils nor are there any since this is not a combat training region. Nor do our ships carry machine guns, the vessels

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are equipped only with artillery pieces. As for honest fishermen.... The federal border service learns of all licenses for fishing on the day they are issued by the Russian authorities. The federal border service is also informed of the names of the ships and the names of the captains. For instance, near Signalnyy island the Japanese have long been harvesting sea kale and no violations on their part have been observed. But making out that poachers are honest fishermen?

[Zaynetdinov] Quite often our guards cannot catch up with a violator inside territorial waters....

[Kudinov] Can you imagine what a fishing schooner is like? It is a small vessel with a water displacement of 20-50 tonnes. A border patrol vessels by comparison is unwieldy with a water displacement of up to 700 tonnes. Its speed often exceeds 30-35 knots (about 70km an hour) and you cannot board a fleeing ship—the risk is too great. And if, god forbid, a schooner comes under the prow of the patrol vessel it will cut through it like butter. We think first of all of people's safety—the safety of our own people and others.

[Zaynetdinov] How did the "1994 fishing season" operation, widely publicized in the press and on television, end?

[Kudinov] We managed to close the illegal fish smuggling channel. The Japanese immediately started to complain because their prices have risen 50 percent. And they started to try to find out how they might more conveniently—but officially!—fish off the Kurils. The main aim of the "fishing season" campaign was not so much to catch poachers as to warn them and to protect Russia's economic interests.

[Zaynetdinov] What is the fate of the schooner which a Russian patrol vessel fired on 15 August?

[Kudinov] The ship is in Krabovaya Bay, Shikotan island. Criminal proceedings have been instituted with regard to the border violation. The injured fisherman is being treated at a military hospital and his life is not in danger. The crew has been apprehended until the circumstances of the violation are ascertained.

[Zaynetdinov] Will the state border violator be indicted?

[Kudinov] Only the court can decide that. And in general every year the labor colonies of Sakhalin and Maritime Kray contain 10-12 Japanese seamen found guilty of violating the border. Many are not in prison for the first time. I am convinced that they would never undertake such a crime by themselves, it is very much to someone's advantage to fuel the situation in the South Kurils region. The problem long ago exceeded the framework of a border problem and should be resolved at the level of the top state power structures of Russia and Japan. The situation cannot be considered normal if last year alone on 8,500 (eight thousand five hundred!) occasions Japanese ships violated the Russian state border.

Zhirinovskiy Visit to Pyongyang Previewed

MK0809105094 Moscow SEGODNYA in Russian
8 Sep 94 p 5

[Report by Aleksandr Chudodeyev in the "Korea" column: "Kim Chong-il Will Meet With Zhirinovskiy. Who Conducts a 'War Rehearsal' on the Peninsula?"]

[Excerpt] [Passage omitted] Meanwhile Kim Chong-il, who in the West is currently described as "the North Korean Goodwin [surname of the Wizard of Oz]" for his absence in public, has decided to invite Liberal Democratic Party of Russia leader Zhirinovskiy to Pyongyang. The visit will take place from 30 September to 4 October, and Vladimir Volfovich is the first foreigner the new DPRK leader has agreed to meet.

Observers point to the semi-detective circumstances of this invitation. All the technical details of the upcoming visit were discussed at the DPRK Embassy in Beijing where Aleksandr Vengerovskiy, deputy chairman of the Russian State Duma and Zhirinovskiy's deputy in the party, traveled to meet with a "high-ranking representative" of the Korean Labor Party. His deputy thus explains the aim of his boss' unprecedented trip to North Korea: "Our party is paying close attention to the Asian Pacific Rim, believing that Russia's future lies not in a departure from the area but, quite the contrary, in its presence there as its most active component." In itself this idea is not new and does not carry any threat. What causes concern is the visit itself, because after a meeting of two unpredictable politicians the South Korean press in its turn might raise the alarm about "a dangerous rehearsal of war" on the part of North Korea.

Gorbachev on German Reunification Problems

LD0809140194 Moscow ITAR-TASS in English 1251
GMT 8 Sep 94

[By ITAR-TASS correspondent Gennadiy Kulbitskiy]

[Text] Bonn September 8 TASS—Former soviet president Mikhail Gorbachev has once again denied statements alleging that one of the conditions of Germany's unification was to maintain what had been achieved as a result of nationalization and land reform carried out in the Soviet zone in 1945-1949.

In an interview with ITAR-TASS Gorbachev said that he did not discuss this problem with German Chancellor Helmut Kohl. At the same time, Gorbachev said that the Soviet side would have preferred this to be reflected in joint German documents. Therefore, a reply came from Hans-Dietrich Genscher and Maiziere, containing a thesis that the problem of compensation, rather than restitution, should be discussed by the German joint parliament, he said.

As for the present discussion, it is of interest to those who count on regaining considerable property. "My position was and remains to this day that realities should

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be recognised, otherwise, one can simply explode Germany. And this was prompted primarily by the interests of Germany itself, since the former Soviet Union did not have any interest in this," Gorbachev said

Asked about a possibility of his return to the political arena, Gorbachev said that after he had written his memoirs he has more time and can devote much attention to politics. "I am prompted to do so by the present situation in Russia. I am very much concerned about it," Gorbachev said.

Foreign Ministry Concerned by Nigerian Crisis

LD0909103294 Moscow ITAR-TASS World Service in Russian 1445 GMT 8 Sep 94

[By ITAR-TASS diplomatic correspondents Yuriy Kozlov and Andrey Serov]

[Text] Moscow, 8 Sep—The Russian Foreign Ministry has expressed concern at the developing Nigerian crisis. "Moscow is anxious about the alarming events taking place in Nigeria," Grigoriy Karasin, director of the Ministry's information and Press Department, stated today.

The Russian foreign policy department spokesman said that the confrontation between the authorities and the opposition in this major country of the West African region "has at some stage reached a dangerous point, whereby a real threat to the unity and national stability" of the state has emerged. The internal political crisis in Nigeria, which is the most densely populated country on the continent and known for its chronic ethno-regional problems, is fraught with considerable danger to peace in Africa, he said.

"Moscow expresses the hope that, despite all difficulties, Nigeria will return to the path of democratic restructuring based on a constructive dialogue, the observance of human rights, and the search for generally acceptable platforms for all interested socio-political forces within Nigerian society", G. Karasin stressed.

Sevastopol Issue Not To Undermine Ukraine Relations

LD0909101094 Moscow ITAR-TASS in English 0944 GMT 9 Sep 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow September 9 TASS—Emil Payin, member of the Presidential Council, is sure that the resolution, adopted by the Crimean Supreme Soviet on Thursday, which approved the resolution of the Sevastopol City council on giving the city the status of a subject of the Russian Federation, will not undermine relations between Ukraine and Russia.

Payin, who is heading the department of Inter-Ethnic Problems at the Analytical Centre under the Russian president, told ITAR-TASS today that the resolution of the Crimean Parliament "cannot drive a wedge between Kiev and Moscow, because the current degree of mutual understanding between the Russian and Ukrainian leadership is above bringing pressure to bear on Leonid Kuchma with the help of the Crimean problem."

Since the Crimean Parliament is going to bring up the subject of the status of the Crimea, and the city of Sevastopol in particular, before the leaders of Russia and Ukraine, Payin expressed confidence that not only Boris Yeltsin, but also the State Duma will "coldshoulder the discussion of the problem."

The specialist in the problem of inter-ethnic conflicts warned that "separatism as an instrument of political struggle hits, first of all, those who generate it."

Payin expressed perplexity over the fact that the Crimean Supreme Soviet, formed on the wave of support for the president of the republic, became more radical than Yuriy Meshkov himself. He believes, however, that "the disorganised character of the post-Soviet space made the problem of confrontation between the legislative and executive authorities common for most CIS member states."

Political Issues

Search Continues for Causes of Moscow Explosion

LD0809213194

[Editorial Report] Moscow Russian Television Network in Russian at 1625 GMT on 8 September carries an 8-minute program entitled "Details." This program, hosted by Sergey Dorenko, reports from the scene of the 7 September explosion at the passport office of the 44th militia station in southeast Moscow.

Dorenko recounts "the building was blown up yesterday evening and after the first small explosion, a second explosion of incredible force followed 15 minutes later. Half an hour later a third occurred."

A woman later identified as a member of the housing maintenance management staff recounts that they heard a bang, as if weights had fallen in the gymnasium below. They were told to leave the premises because there was a fire downstairs. As they left, unhurriedly, along the corridor, the second explosion occurred. The camera focuses on the destroyed building and Dorenko explains they were recovering the seventh body at about 1500 hours (1100 GMT) today and that another was still in the rubble.

Dorenko says: "Several different causes of the explosion have been put forward. The first is a trinitrotoluene bomb. This was written about in the newspapers and specialists have talked a lot about it today. They say the nature of the explosion would have been quite different. At least a sack of trinitrotoluene would have been needed to have dislodged the ferro-concrete structures. The second version is also connected with a bomb and terrorism. It is possible that we are talking about a nitroglycerine bomb.

"Both versions referring to bombs are based on eyewitness accounts that people travelling in a foreign car sped away from the building before the first bomb went off. The residents of the surrounding houses do not find anything surprising about the bomb version. They say foreign cars are constantly parked around the passport office and numerous Caucasians used to go there. According to unchecked information, Caucasians registered their friends here in violation of the rules and did not find the new head of the passport office to be sympathetic to them.

"At any rate, this version is being checked, and the surviving documents from the passport office are already in the hands of the investigation team. If violations are confirmed, this version will be looked into very seriously."

Aleksandr Shpeer, an investigator, says it appears to have been an explosion of gaseous substances and that they have no evidence it was caused by explosives.

Dorenko returns to another version—that cylinders containing acetylene and oxygen kept in the basement by the

housing maintenance management for welding work had blown up. However, it would have to have been a large number of cylinders and they would not have exploded on their own, especially synchronously and in three stages. "What is more, the exploding gas should have caused a fire. There was no fire. All the documents, papers, chairs did not burn," Dorenko adds, noting people said the explosion was more like an earthquake. "One witness smelled an odor reminiscent of carbide, but today she is not sure whether it was the smell of cement dust." Dorenko says other staff members had complained yesterday of an unpleasant smell coming from outside just before the second explosion. A few minutes later these women were forced to jump out of the first floor windows because the staircase had collapsed.

The program continues with interviews with people from the building who complained that ambulance staff refused to treat a child because they were not from the children's hospital, and with a family whose daughter was believed to be in the building, but had not yet been found. The area is guarded by 30 OMON members.

Dorenko concludes by saying the civil defense reported that the mother of the above-mentioned child had not been found either. "We just called the headquarters of the civil defense, and they have reported dogs have sniffed out live people under the rubble, or rather possibly people who are still alive." The program ends with footage of rescue dogs working at the scene of the explosion.

Poll Shows Rybkin 'Most Influential' Politician

LD0809200994 Moscow INTERFAX in English 1631 GMT 8 Sep 94

[Text] Political scientists characterized State Duma Speaker Ivan Rybkin as the most influential Russian politician. His rating increased by 0.37 points against June, the Public Opinion Fund told Interfax. President Yeltsin's political rating was not investigated.

The second most influential politician is leader of the Democratic Choice of Russia party, Yegor Gaydar, whose rating increased by 0.21 points compared to June. Third comes Prime Minister Viktor Chernomyrdin, although his rating went down by 0.03 points.

Federation Council Speaker Vladimir Shumeyko comes fourth (- 0.26 points), Vice Premier Anatoliy Chubays fifth (+ 0.63 points), leader of the Yabloko faction Grigoriy Yavlinskiy sixth (+ 0.46) and Vice Premier Aleksandr Shokhin, who is also a leader of the Party of Russian Unity and Concord seventh (- 0.18).

Andrey Kozyrev ranks eighth (+0.46 points) and Yuriy Luzhkov ninth (+ 0.03). Leader of the Party of Russian Unity and Concord Sergey Shakhrai comes tenth. His rating went up by 0.1 points compared to June.

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Governors Oppose Early Gubernatorial Elections

LD0809191494 Moscow INTERFAX in English 1314
GMT 8 Sep 94

[Text] The Yaroslavl-based conference of the Union of Russian Governors decided that gubernatorial elections would make no sense before 1996. The conference closed Wednesday. It intends to share its views with national leaders.

Vice-Premier Sergey Shakhrai attended the event in Yaroslavl. He feels its decision to call no elections before 1996 would "promote economic and political stability in Russia." If President Yeltsin endorses the conference's suggestions for an executive order and a bill on the governors' status, the executive branch of power will work more effectively, he said.

But the chairman of the Governors' Union's board, governor Anatoliy Tiazlov of the Moscow region opposed the conference's decision on elections. He felt the Russian governors stood a good chance of winning a second term in office because last year some 40 of them won seats in the national parliament.

Shakhrai Comments on Dudayev's Move in Argun

LD0809202894 Moscow ITAR-TASS in English 1946
GMT 8 Sep 94

[By ITAR-TASS correspondent Anna Melnikova]

[Text] Moscow September 8 TASS—"Dzhokhar Dudayev's tactical success at the town of Argun, where government forces crushed Ruslan Labazanov's unit on the night to Monday may prove to be a strategical defeat for official Grozny", Russian Deputy Prime Minister Sergey Shakhrai said in an exclusive interview with TASS on Thursday evening.

According to him, Dudayev's move will "inevitably result in rallying all Chechen opposition groupings".

TASS asked the vice-premier to comment on Wednesday's statement of Parliament's Upper House Speaker Vladimir Shumeiko at a news conference in Vilnius, saying "the situation in Chechnya would have developed in another way if Moscow had been more persistent in its efforts to enter into dialogue with Chechnya". Shakhrai suggested that "perhaps it would be easier for Vladimir Shumeiko to go to Grozny himself in order to agree upon such talks with Dzhokhar Dudayev, who pilfered military depots, released criminals from prisons and invited mercenaries to defend his regime, thus turning Chechnya into a hideaway for bandits, and at the same time tried to speak to the Russian president in the language of threats and political blackmail".

"I find it rather difficult to comment on the attitude adopted by Vladimir Shumeiko, who backed last spring the State Duma's principled position about consultations with Chechnya's all political forces, including

Dudayev", the deputy prime minister noted. "Meanwhile, at the time it was of extreme importance to work out a coordinated attitude of both houses so that federal authorities could take an unambiguous stand", he added.

Abdulatipov: Yeltsin Will Not Talk With Dudayev

LD0809185894 Moscow INTERFAX in English 1314
GMT 8 Sep 94

[Text] Russian President Boris Yeltsin "cannot, unfortunately, agree to talks with Chechen President Dzhokhar Dudayev," according to Deputy Chairman of the Federation Council Ramazan Abdulatipov.

"The blood spilt in Chechnya and mass human rights violations have deprived Dudayev of the moral right to claim a dialogue with the Russian president," he told Interfax in Moscow on Wednesday night.

Abdulatipov said he had sought to ensure that the Russian government's recent address to the Chechen people had a provision on Dudayev's voluntary resignation. However, he said Dudayev would never resign.

"I do not share the euphoria of many Russian politicians on the early fall of the Dudayev regime," said Abdulatipov. He added that "much time and tolerance will be needed to settle the situation."

He said he had still not received an answer to the question of "who left 25,000 pieces of fire arms to Dudayev. Even if Dudayev steps down today, hostilities will continue for a long time."

Abdulatipov said that the shortcomings of the Russian leadership's policies towards Chechnya and other subjects of the Russian Federation are connected with the fact that these policies are not being coordinated in a single center. "Otherwise the Chechen crisis could have been overcome two years ago," he said.

Since the first days of the arrival in Chechnya of former speaker of the Russian parliament, Ruslan Khasbulatov, Abdulatipov was sure that the former would be unable to fulfill the peacekeeping mission, since he was involved in the conflict from the very beginning. Khasbulatov's coming to power in Chechnya "is possible. However, this will create problems not only for Russian politicians but for Khasbulatov himself." Abdulatipov said that "if Khasbulatov is elected to the Federation Council there will be no qualitative changes in the upper house of the Russian parliament, and its policies will not change."

Abdulatipov spoke against Moscow's involvement in the developments in Chechnya and warned that the "use of force by federal bodies will not be welcomed. This does not mean that we should be indifferent to the tragic developments in Chechnya," he said.

According to Abdulatipov, "it would be in the interests of the Chechen people that Chechnya stop being a hotbed of enmity towards Russia and of crime in the

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region." The Russian leadership should influence the "processes in Chechnya, but it is necessary to make balanced steps," he said.

At the same time, he said, diplomatic and economic interference should not be excluded.

Borovoy Alleges Central Bank Corruption

MM0909094994 Moscow NOVAYA

YEZHEDNEVNAYA GAZETA in Russian 8 Sep 94 p 2

[Unattributed report: "Borovoy on Bribe Norm in Central Bank"]

[Text] In view of the Central Bank of Russia press service's statement concerning K. Borovoy's allegation about bribes of 2 million rubles [R] to obtain a banking license, Economic Freedom Party Chairman Borovoy has authorized the press service to quote the following statement of his: "The hypothesis that it is possible to get something done at the Central Bank today for R2 million does not, of course, correspond to reality and must be insulting. I do, of course, apologize to certain members of the bank staff for the journalists who misquoted me; that is to say, I appreciate how honor and dignity are insulted by the paltriness of this sum.

"At the press conference cited by the Central Bank I announced the results of an anonymous poll of some leaders of newly created commercial banks, from which it is clear that the minimum bribe for a banking license was \$12,000, that is to say, R25 million; the average bribe was \$20,000; and the maximum bribe \$80,000.

"Information about how the money was distributed and among whom, even information about where the resources are concentrated in the private accounts of certain members of Mr. Tulin's department and how much is involved was also obtained as a result of the poll.

"The information obtained enables us to recommend to the Central Bank leaders that they transfer the functions of licensing bank activity to the Finance Ministry, the Antimonopoly Committee, or the Securities Commission.

"I am ready to concede that the Central Bank press service statement was not a brazen and cynical move but the result of lack of knowledge on the part of someone in the Central Bank leadership not involved in corruption. That being the case, he can cite our anonymous poll properly, which will enable the Central Bank to set up mechanisms safeguarding bank activity from corruption."

National Human Rights Agency To Be Set Up

MM0809121794 Moscow ROSSIYSKIYE VESTI in

Russian 8 Sep 94 p 2

[Report by Tatyana Vladimirova: "Where To Complain? A National Human Rights Agency Will Be Set Up"]

[Text] The institution of a human rights commissioner already operates in over 100 countries. In many of them

the commissioner himself is called an ombudsman. So our vocabulary will now be enlarged. And not only our vocabulary. For the first time in Russian history the institution of ombudsman is gaining a place in the legal and constitutional system of the Russian Federation.

It is also proposed to set up a National Agency for Human Rights, which will be headed by a commissioner. It turns out according to all points of the law that he must be a strong and influential figure with great moral authority.

What expectations are linked with the introduction of this law? The role of the ombudsman and of the National Agency headed by him would appear to be simple: protection of your rights and mine—the very rights enshrined both in the UN Declaration on Human Rights and in various international conventions. Relating, for example, to the protection of women's rights against discrimination or the protection of children's rights, etc. The majority of these documents, which our country has signed in the past, presuppose the creation of a corresponding legislative mechanism. But there has never been any talk of this before.

Do you remember where people used to send their complaints? To party committees, right up to the CPSU Central Committee, and also to newspapers.... Those channels do not work now. The attitude to the courts is, alas, mistrustful. Where can a person complain, if need be?

The legislators intend that the National Agency for Human Rights should fill the vacuum that has formed. Although we already have an ombudsman, Sergey Kovalev, a man connected with the human rights movement, has become the commissioner.

'State-Patriotic Forces' To Bid for Power

MM0809125894 Moscow SOVETSKAYA ROSSIYA in

Russian 6 Sep 94 p 1

[Article by Gennadiy Zyuganov, chairman of the Central Executive Committee of the Communist Party of the Russian Federation and leader of the Communist faction in the Russian Federation State Duma, under the "Fall Actions" rubric: "Returning Power to the People"]

[Text] A deepening of the economic crisis and a serious exacerbation of sociopolitical confrontation have become a sort of tradition in the fall in the last few years. This fall will evidently be no exception. The president and government stubbornly persist in their destructive course, and at the same time mass distrust of their policy is intensifying.

Let us recall, for example, how skillfully the ruling regime reaped dividends by alleging that all and sundry were "hampering" it, "binding it hand and foot"—first and foremost, of course, the soviets at all levels. Almost a year has passed since the coup d'etat and the dissolution of the soviets—no one has controlled the government or hampered it in any way for a long time, but

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things are continually getting worse, and the amazing helplessness and incompetence of the regime in everything to do with the practical management of the economy, the social sphere, and so forth has been exposed. The budget for the current year was not actually drawn up until May, and even that budget is not being fulfilled in all articles. Moreover, the government, to its own surprise, from being the side which **was hindered** has become the side which is **hindering**. It is worth focusing attention on this aspect.

The point is that one of the regime's major real achievements of recent years is that it has managed, by means of wholesale propaganda pressure and by doling out material sops here and there, to move the center of gravity of people's interests from the public to the **private** sphere. Mass indifference to serious political questions, the disintegration of a social integer into "atomized" individuals, each of whom survives on his or her own, has become the fashion of the day, and even the shelling of parliament for some people is not a national tragedy but only a spectacle. No question: Here, if nowhere else, the president's administration, the government, and the budget-funded mass media have been extremely successful. But this has turned out to be a double-edged sword.

Unable (and, all the evidence suggests, unwilling) to organize and stimulate the production of things of real value, the regime has channeled the individual activity of citizens in the direction of economically hopeless—and on the moral plane, deeply vicious—games and speculations that go under the device "We sit on our backsides and watch the money roll in." But when the philosophy of life of the "little guy" built on this principle began to expose its total worthlessness, it was the government that showed itself to be "extremist," "hampering" people from extracting gold out of thin air. And the point is not even how justified such aspirations are: **The fundamental, intrinsic novelty of the situation lies in the fact that, for the first time, the regime entered on a serious collision course with the masses precisely on the very ground of private interest, toward whose creation which it had hitherto been striving with every fiber of its soul—the ground on which it had thought to obtain its most reliable support. And this is only a link in a general chain of evolution which our society is going through, the essence of which we should consider carefully.**

The "little guy's" faith in economic alchemy is still alive. However, it has now been undermined, and this has found reflection both in the illusory world of television advertisements and in real life. The day before yesterday Lenya Golubkov [fictional investor in MMM tv ads] expected to acquire a house in Paris by "freeloading." Yesterday he began to think about production and planned to redeem an excavator and purchase a trailer. Today, when both the house and the trailer have receded into the misty distance, he is going on demonstrations and collecting signatures for the government's resignation, supposing that under another president and premier his capital will come back to him again. What will

he be doing tomorrow? The shareholders chanting at rallies that "All of Russia is an MMM!" have already, without knowing it, gotten very close to the truth: The shares of the "MMM" joint-stock company and dozens of similar companies are an exact copy of the so-called short-term state bonds, which the government is trading in an effort to patch the holes in the budget while leading the country's economy into comprehensive ruin.

From sociopolitical apathy, through collapse in the sphere of private interests and the search for individual culprits to blame for this, to a gradual realization of the general viciousness of the policy inflicted on the country and the idea of uniting to combat it—this is the curve of evolution clearly delineated in social sentiment in recent times. It is hard to predict in advance how quickly this evolution will be accomplished, but it is essential to be ready even for drastic accelerations. We should also bear in mind the possibility of a twofold outcome to this development. It must in no way be forgotten that the burgeoning additional impetus which social protest is acquiring is elemental and petit bourgeois in its economic essence. And petit bourgeois elements—usually extremely r-r-revolutionary [as published] in their banners and forms of activity—are at the same time the source and breeding ground of the blackest reaction, up to and including fascism.

Hence it is clear how difficult are the tasks which today face the politically conscious, organized opposition, which rests on the state-patriotic ideal, on the ideas of people's power and social justice: **To stop the processes of economic, political, and spiritual degradation and the disintegration of the country; at the same time to prevent a rampage by the antisocial element; and to succeed in channeling rejuvenated social energy in a constructive direction.** This is a task that is at once political, ideological-educational, and organizational, requiring sober analysis of the correlation of forces and a clear understanding of the immediate historical perspective.

The time of general declarations spelling out the ideological fundamentals for consolidating opposition forces is past. This was an absolutely necessary phase, but for real, practical consolidation what is needed today is a tactical plan of action geared toward achieving specific goals.

For its part the Communist Party of the Russian Federation [CPRF] offers the broad patriotic opposition the preliminary outlines of such a plan, having as its chief medium-term guideline the task of bringing about, by drawing on the marked change from political apathy to political animation, the holding of an early presidential election not later than April 1995 and the victory in that election of a joint candidate from the opposition. At the same time the party opposes the extension of the Federal Assembly's term, seeing a parliamentary election next December as an important phase in consolidating the state-patriotic forces' political influence. The other day the CPRF Central Executive Committee Presidium

adopted a decision to begin a mass campaign to collect signatures from citizens opposed to extending the parliamentary term and in favor of an early presidential election. At the same time we see the question of the government's future as secondary to the issue of the personality of the president and the nature of his program. While B. Yeltsin remains in his post, even to speak of any change of policy or improvement in the situation is ridiculous.

The main condition for the successful realization of this plan is the creation of a broad and stable alliance of the state-patriotic forces, from the "Accord for Russia" to "Unity for Russia"! As for the social basis of this alliance, its backbone could be a coalition between communists and the largely kindred socialist and left-democratic currents, as the voices of the interests of the working class and other sections of the working people; the agrarians, who express the specific interests of the peasantry; the real commodity producers, committed to developing production and preserving the country's economic independence; and the women's and veterans' movements, which are especially close to the problems of social justice, protection, and security.

In short, the achievement of the **common democratic** task of national-state survival requires not so much the leveling of diverse ideological platforms as practical cooperation among social forces supported by real organizational and material potential and capable of attracting a significant mass of voters. The election of the regional organs of representative power have already shown that, where such an alliance has been successfully formed, it has as a rule been accompanied by considerable success.

Hence the current authorities are desperately afraid of the formation of such an alliance on the scale of Russia as a whole. Everything is being done to prevent rapprochement and to play on some people's ambitions, to cut people short, to tear them in different directions, palming them off with false alternatives of a "leftist," "social democratic," or "patriotic" bent, and to limit access to the mass media.

In opposing these attempts the "Accord for Russia" movement intends in the very near future not only to finalize a platform which is sufficiently broad to accommodate different ideological hues and shades and at the same time sufficiently definite to exclude verbiage and ensure responsible collaboration, but also to adopt important organizational decisions.

The movement is geared toward a peaceful change of power through elections, hence it is time for it to show society who precisely is ready to implement a new course. **The movement's congress, to be convened in October, and its National Council must, in our view, form a kind of shadow state council consisting of several authoritative figures, each responsible for a specific sphere of problems: The strategy for overcoming the crisis**

and safeguarding national-state interests, industry, agriculture, legality and human rights, and national and federal relations. At the same time the composition of a shadow cabinet of ministers should be projected, guided first and foremost by the criteria of competence, conscientiousness, and pragmatism.

The last should be stressed especially, because in my view things will not get any easier for the country and the state if the crazy "democrat" in the supreme chair is replaced by a well-meaning but incompetent patriot or communist. And in general, all opposition figures who aspire to political leadership must analyze critically and in detail the bitter experience of the defeats of August-December 1991 and September-October 1993, and draw the appropriate lessons. The fatal role was played then by an inability to take account of the real correlation of forces and to isolate the decisive junctures in the situation, by a tendency to make impulsive decisions under the influence of a fleeting mood, or else even by blatant speechifying. And no amount of personal courage compensates for the crude errors that were committed.

Taking stock of experience, elaborating a program, constantly analyzing the current situation, and putting political pressure on the regime are not the opposition's only outlets, if you consider that it possesses a sufficiently strong parliamentary representation and has a firm basis at local level. In this sphere opposition factions must concentrate their efforts on ensuring that the Federal Assembly prepares as quickly as possible a legislative basis for holding referenda, parliamentary and presidential elections, and also elections for the representative and executive organs of power at local level. At the same time the Duma should demand a report from the government on progress in implementing the budget and should ask the president how, after all, the ideas of strengthening Russian statehood proclaimed in his message are being implemented.

The first anniversary of "Black October"—the bloody coup d'etat—is drawing near. Undoubtedly all the country's political forces will mark it in their own way. As part of the opposition's joint events the CPRF plans to hold 21 through 30 September an open all-Russia party assembly in all party organizations on the theme of "Returning Power to the People and the Party's Tasks." A broad theoretical and practical conference of opposition forces is scheduled for 22 September. A peaceful march and rally will be held and mourning ceremonies will take place 3-4 October. New provocations from the ruling regime are extremely likely on these days: There is a need for great restraint and discipline to ensure that there is no repeat of the bitter experience of past years.

Altogether the party calendar of fall events will be extremely intensive. The overall task is to collect as many signatures as possible in support of an early presidential election, organize various pressure actions, and prepare public opinion. At the same time the Program Commission meets in **September** to complete work

on the CPRF's draft program; the Central Executive Committee leadership will hold a large meeting with young communists, and the creation of party youth sections will begin; and the regular meeting of republic communist parties will be held (obviously on Ukrainian soil)—it will be devoted to the final adoption of a concept for the restoration of a renewed union state and to the preparations for celebrating the 50th anniversary of Victory, the 125th birthday of V.I. Lenin, and the 100th birthday of G.K. Zhukov; at the end of the month, on the eve of the parliamentary session, the Duma Communist faction will meet for a two-day seminar. In October, in addition to the aforementioned actions, the Central Executive Committee will hold a plenary session with a broad agenda—on the work of the Program Commission and the convocation of the next party congress, on the party's work with young people, on the results of the all-Russia party assembly—and, on the eve of the plenum, a two-day seminar of members of the Central Executive Committee, the Central Control and Auditing Commission, and leaders of local party organizations. In November celebrations are planned to mark the October Revolution anniversary—assemblies, marches, and rallies—which the CPRF intends to apply for permission to stage on its own account.

As for the Third CPRF Congress, it is proposed to convene it in the second half of next January. A broad program for the consolidation of party ranks must be implemented before it begins. Eleven zonal seminars held this summer revealed an equivocal picture of the state of party work in the regions, many of which need major help.

The proposed general outlines of the action plan, judging by the reports of party deputies and the party aktiv, are winning support in many regions of the country. From my personal impressions of a recent tour to Leningrad (St. Petersburg), from meetings with voters, students and lecturers from polytechnical and humanities universities, an Izhora plant worker, and social and religious figures, I believe that the CPRF's viewpoint on the essence of the systemic crisis and the means of overcoming it and the idea of creating an alliance of all state-patriotic forces are winning increasing understanding and support among the people, and the party's prestige is gradually growing. The country's future depends on how assiduously we are able to dispose of the invaluable capital that is the people's trust.

Trade Union Chiefs Deplore Lack of Unity

MK0809111094 Moscow *SEGODNYA* in Russian
8 Sep 94 p 2

[Report from St. Petersburg by Vadim Tyagniryadno under the "Meeting" rubric: "FITUR Leaders Consider Tactics of Trade Union Struggle. There Is No Agreement Between Trade Unions"]

[Text] A large-scale conference of trade union organizations that are part of the Federation of Independent

Trade Unions of Russia [FITUR] began in St. Petersburg yesterday. The conference, attended by trade union bosses from 78 regional and 42 sectoral associations, is chaired by FITUR Chairman Mikhail Shmakov. The main agenda item is to devise trade union tactics in the run-up to a new political season that, according to the official statement, is characterized by "an unprecedented slump in industrial production and a series of layoffs at many large Russian enterprises." Over the next two days participants in the meeting are going to harmonize their assessments of the situation and decide on what is to be done next.

To all appearances, speeches at the conferences will focus on how to develop relations with the government and on holding an all-Russia protest action in October. The trade union press service also does not rule out that the FITUR might consider withdrawing its signature from the civil accord pact "on grounds of widespread failure to pay wages on time, the government's inaction on the nonpayments problem, and failure to adhere to the general and tariff agreements."

The press was politely asked to leave the conference hall under the pretext that the meeting is working in nature. Nonetheless, FITUR representatives make no bones about the fact that there is no unity among trade union organizations in Russia's largest umbrella federation. Some speakers have already urged the trade unions to seek the government's resignation, to call strikes and other aggressive protest actions. FITUR leaders, however, have so far preferred to call such statements "extremist" and to talk about social partnership. Nor have the trade union organizations reached a common view on what the planned October protest action should look like. Some insist on calling an all-Russia work stoppage. But most organizations do not seem to be willing to go on strike and are inclined to limit themselves to more peaceful actions: rallies, meetings, and so forth. What the trade union leaders will agree on will be known 9 September.

Media Issues

State TV Companies' Insolvency May Prompt Merger

MK0909114094 Moscow *OBSHCHAYA GAZETA* in Russian No. 36/61, 9-15 Sep 94 (Signed to press 8 Sep) p 13

[Own correspondent's report under the "Follow-Up" rubric: "The Plan for Merging Two State Companies Has Influential Backers"]

[Text] The new television season has started with rumors circulating about yet another plan for merging two state-run channels—"Ostankino" and the Russian Channel (see *OBSHCHAYA GAZETA* No. 34/59). Television and near-television circles have been skeptical about the plan. Chiefs of the first and second channels have flatly denied information about the possible merger

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of their companies. "None of the state-run companies was or is contemplating a merger," Grigoriy Shevelev, first deputy chief of the "Ostankino" State Television and Radio Company, said. "This project does not have a realistic foundation."

Still, such a plan does exist, and according to reports from a knowledgeable source, it has come as an immediate reaction by government bureaucrats to Viktor Chernomyrdin's irritation over television's financial insolvency. It is believed that the Russian premier is a proponent of a merger between the two state-run television companies. To all appearances, the merger plan was ordered precisely to please the boss. They say that the plan's author is Professor Vilen Yegorov, director of the Institute of Continuing Professional Training for Radio and Television Employees. It cannot even be ruled out that the plan is yet another attempt to push through the idea of cutting down on state-run television to the advantage of independent television companies. The issue is that the plan calls for vacant air time to be turned over to NTV, thus expanding the independent television company's audience, and the entire fourth channel to be made commercial by dividing it among independent broadcasters that are mushrooming by the day. According to Anatoliy Vengerov, chairman of the Judicial Chamber on Information Disputes, currently the line of those wishing to obtain a license for television broadcasting includes over 800 aspirants.

Unless the 160-billion-ruble debt of the state-run television companies is repaid, the project, which has been currently dismissed by many as nonsense, could well become a reality. No fortress can hold out against a donkey loaded with gold.

PRAVDA Appeals for Support Against Takeover Bid

*MM0809121194 Moscow PRAVDA in Russian
8 Sep 94 p 1*

["Message to Readers" from PRAVDA Chief Editor Aleksandr Ilyin: "They Could Not Stifle or Tame PRAVDA. Now They Are Trying To Steal It"]

[Excerpts] Friends and readers! The irremediable almost happened. Once again, for the umpteenth time, our paper could have been unceremoniously stopped in its tracks. There has been an attempt, quite simply, to steal PRAVDA. And, to put it crudely, to make monkeys out of both PRAVDA's editorial collective, which, despite gigantic difficulties, gets the paper out, and of you, dear readers, who have supported PRAVDA's stance and its main line and, despite the unthinkable high price, have subscribed to it, read it, and distribute it throughout Russia, Ukraine, Belorussia [Belarus], and other countries.

We have already had occasion to write about the causes of the crisis at the newspaper, about who is seeking to exploit our economic and organizational difficulties, and how. There is a distressing cause to speak about this once more.

There is no holding PRAVDA's enemies! Even now, exploiting the ambition of former Chief Editor V.A. Linnik and his company, they have tried to rush their bag of tricks through the Russian Committee for the Press. Namely—to reregister the paper under false documents in the name of a small group of former PRAVDA workers, who have long since resigned from editorial work. And to throw overboard the people who did not allow PRAVDA to die at such a serious time, who through their labor and talent maintain its uninterrupted publication, to make them strangers in their own newspaper. At the same time many of today's PRAVDA workers—who work, not indulge in litigation—have given their beloved PRAVDA all their working lives. [passage omitted]

...The technique of the battle against PRAVDA today is simple, verging on primitive. A small group of seven or eight of its former staffers, who have grabbed all the leading posts outside the existing editorial board, set up a "fund" for the "revival of PRAVDA," and opened bank accounts—moreover, all behind the backs of the majority of the current editorial collective. Then a petition and other documents are sent in their name to the Russian State Committee for the Press for the reregistration of PRAVDA—all this again behind the backs of the PRAVDA workers who compile the newspaper and in breach of the newspaper's charter.

The "usurpers" even stoop to forgery—instead of the originals of the necessary documents, they present copies, certificates from the militia, and so forth. And—o tempora, o mores!—all these papers are graciously examined! And did anyone stop to think: What is happening, one group of people are publishing a newspaper, but others are claiming it? Did anyone at least inquire as to the opinion of the whole editorial collective, the current editorial collegium that was elected lawfully at a general meeting... No, anything goes in the battle against PRAVDA! [passage omitted]

It is too early to say that the attempt has been unsuccessful and that the shady political games around PRAVDA using quiet red tape-bureaucratic manipulations will cease. No, the paper is in danger. And this is very serious. We, of course, have brought actions against the perpetrators of this forgery and other illegal actions. Justice and the law are on our side. But in today's uneasy times anything may happen. Therefore we appeal to our readers for support. To the progressive factions in the State Duma, to sober-minded deputies of the Federation Council. To political parties which understand the significance of PRAVDA in contemporary political life. Finally, to all honest politicians, who, I am sure, cannot allow crude reprisals to be inflicted before their very eyes on a nationwide Russian newspaper with a name well known throughout the world.

...Today, friends, you have before you the latest issue of PRAVDA. Already the 164th this year. Almost 150 of them were published without the participation of the

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current "takeover group." Of course, the loss of certain colleagues is serious for the newspaper. But everyone chooses his own path, his own fate. On the basis of whether he wishes to see himself in PRAVDA, or the truth in himself. We hope that our meetings with readers in the pages of the newspaper will continue to be constant, that we will always need one another, and in a difficult moment will extend a helping hand to one another. Right now we badly need your solidarity, your firm, friendly hand.

Let us stand together!

New Military Journal Launched

LD0909105494 Moscow *ITAR-TASS World Service in Russian* 2032 GMT 8 Sep 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 9 Sep (ITAR-TASS)—ARMEYSKIY SBORNIK is the title of a new military journal launched today which is the result of a "merger" between VOYENNY VESTNIK, AVIATSIYA I KOSMONAVTIKA, VESTNIK PVO, and VOYENNO-EKONOMICHESKIY ZHURNAL. Military journalists attending the presentation will be addressed by Colonel-General Mikhail Kolesnikov, chief of the General Staff of the Russian armed forces. [passage omitted]

Economic Issues

Government Analyzes 1994 Economic Performance

MM0809140194 Moscow *IZVESTIYA in Russian* 7 Sep 94 p 2

[Report by Mikhail Berger: "Russian Government Satisfied With Its Work in First Eight Months of Year"]

[Text] The Working Center for Economic Reforms under the Russian Government has prepared a brief analytical review of economic performance since the beginning of the year.

The overall conclusion of the Working Center for Economic Reforms is that there was a certain stabilization of the economy in 1994. According to the center's data, industrial enterprises had started to adapt to the new conditions by the middle of the year, which made it possible to halt the recession. Although in private conversations with directors one hears more often than not about the decline in production and even its collapse, statistics indicate the reverse. In June, July, and August industrial production did not decline.

Admittedly, there is a subtle methodological point in this calculation: Each of the "successful" months was compared not with June, July, and August last year but with the previous month. In other words, the worse things were in May the easier it was to achieve a plus in June.

But on the other hand this approach can also have its place. It is a matter of taste of whoever is doing the calculation.

The indicators of the structure of GDP are evidence of positive achievements, irrespective of experts' viewpoint. The review cites data that the share of services in the total volume of GDP has sharply increased, to the extent that for the first time this sector has started to dominate (53.3 percent of GDP in the second quarter).

Much has already been said about the fall in the inflation rate, but it is still worth noting that while consumer prices increased more than fivefold in the first eight months of last year, they have doubled this year. (As you can see, in some cases it is "more interesting" to compare with last year and not with the previous month). The population's real income increased (also as against January-August last year) by 12 percent, and with it the retail trade turnover (plus 4 percent).

The review says that the scale of poverty has decreased substantially. While the number of people with income below the subsistence minimum totaled 24.4 percent in the fourth quarter of last year, the figure was 13.9 percent in the second quarter.

At the same time there is still a high federal budget deficit (10 percent), and not only is the nonpayments problem not being solved but it is also becoming increasingly acute.

All that remains now is to check these general indicators against what every individual citizen sees and feels.

Taxation Service's Yu. Bachurin Interviewed

MM0809144194 Moscow *TRUD in Russian* 3 Sep 94 p 8

[Interview with Yuriy Bachurin, deputy leader of the Russian State Taxation Service, by correspondent Yuriy Ursov under the "Topical Interview" rubric; place and date not given: "Will the Tax Noose Slacken?"]

[Text] No country in the world has a tax system which pleases every social stratum. But the Russian system is particularly sharply criticized, and, moreover, it is criticized from opposing ends. Some see its shortcomings as residing in the fact that taxes stifle enterprise, others consider that the tax service fails to ensure money gets paid into the budget and thereby undermines the implementation of statewide programs. There is no shortage of critics. Nor is there any shortage of calls for reform of the tax system, which, as is clear from statements by top government leaders and State Duma deputies, is slated for the fall. But what do they think in the State Taxation Service itself? Your correspondent converses with Yuriy Bachurin, deputy leader of the State Taxation Service [STS], on this matter.

[Ursov] Yuriy Aleksandrovich, many directors of major production units, various kinds of joint-stock companies, and banks are united in one thing: The existing

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system of taxes, whereby, for example, a worker receives at most 40 kopeks for every ruble of price increase due to wage rises, not only fails to give incentives to increase the output of goods and services but forces people to finagle and dodge tax...

[Bachurin] Let's start with the objectives of taxation policy. It has two basic functions: regulating and fiscal. The state discharges the first function by encouraging the development of the most important sectors—fuel, agrarian, and motor vehicles—by means of concessions. Indeed, tougher taxes have been introduced for banks, the entertainments business, and brokerage. The problem is that concessions are often granted unsystematically, under pressure from particular lobby structures without any connection with federalwide priorities.

The concessions allowed certain producers, thereby reducing payments into our deficit budget, force the government to stiffen fiscal policy vis-a-vis other taxpayers. This causes some people to describe our tax system as extortionate and generates a host of complaints against the tax system. But the complaints are misdirected. We merely carry out the laws; we don't make them. However, the STS does consider the analysis of trends in this sphere and the drafting of recommendations to improve the system one of its main tasks.

[Ursov] You mentioned lobbying. Does this mean that the STS and its recommendations meet resistance from top state and regional bodies?

[Bachurin] There are no problems in general with the federal government; we have businesslike relations. The government sends all our proposals made jointly with the Finance Ministry to the State Duma, having made certain amendments. At the State Duma, admittedly, difficulties do sometimes arise. With some legislators professionalism and good intentions do not always sit easily, in my view. The conflicting assessments made of particular proposals of ours can be influenced by lobbies. It is no secret that specific formations of deputies are supported by no less specific industrial groups.

Relations with the components of the federation and with the regions are more difficult; here one has to contend with the fallout from petty political opportunism. Last year, for example, 38 regions did not pay the full amount of value added tax into the federal budget, and 14 territories were in arrears over profits tax. Certain local leaders are trying—without prior arrangement—to introduce a single-channel system for transferring taxes into their budget, seeing this as guaranteeing political autonomy, while not forgetting, however, to demand grants and subsidies from the federal budget at the same time. Meanwhile we are proposing to extend considerably the rights of local organs to establish local and regional taxes, reducing the multiplicity of existing collections, but on condition that lawful payments are made to the center.

[Ursov] Many rich people have emerged in Russia whose personal income is wholly comparable to the profit

earned by major enterprises. But the bulk of taxes is still paid by the collectives of plants and factories...

[Bachurin] Our tax system is chiefly geared toward registered economic structures. Yes, we are intending to increase taxes for individuals who have a large or particularly large income, but, unfortunately, such an approach (which is perfectly in keeping with the new realities) does not find understanding with all legislators. It also has to be borne in mind that "doctored" accounts, where cash escapes the control and financial bodies, are widespread. But detecting such instances falls within the competence of the law-enforcement agencies and the tax police.

[Ursov] Do we have known instances, for example, of high-ranking servants of state who have not declared all their income to the tax inspectorate?

[Bachurin] Yes, such cases do exist. But other violation are more widespread and dangerous: The concealment or understating of earnings, the distortion of official accounts, the misuse of tax rates and concessions, and the transfer of hard currency earnings to foreign banks to conceal earnings. Small and medium-sized commercial banks and other financial structures too are the biggest culprits in this respect. The episode of the MMM-invest fund is among the best known here. Or take Ingosstrakh, which understated its taxable income by more than 9 billion rubles.

But what is disturbing is that out of the dozens of proceedings involving breach of legislation instituted by the tax inspectorate only a handful have gotten to court. The reasons here are that legislation is out of synch with the new economic situation, and the overloading of courts, which simply refuse to accept "tax" cases.... In our view, apart from improving the laws, it is essential to set up special taxation courts. Then, any reforms of the tax system will acquire, if not a finished appearance, at least a reliable organizational and legal basis.

Surge in Counterfeit Rubles Reported

LD0809132594 Moscow Russian Television Network in Russian 0400 GMT 8 Sep 94

[From the Business news program]

[Text] According to approximate calculations, Moscow is now flooded with around 400 million counterfeit rubles. This was stated by Mr. Tumulov, head of an economic crime directorate department. He said forgers have been using ever more up-to-date equipment. One of the latest batches of counterfeit 50,000 ruble notes which has been confiscated is manufactured on paper which is almost identical to the paper endorsed by the Gosznak.

The influx of forged rubles is coming into Russia from the south—Chechnya, Daghestan, and Azerbaijan.

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Compensation for Purge Victims To Continue

MM0809133194 Moscow ROSSIYSKAYA GAZETA in Russian 8 Sep 94 First Edition p 5

[Report by Mikhail Ivanchikov: "Finance Ministry To Pay for Everything"]

[Excerpt] The decree "On Ratification of the Statute on the Procedure for Returning to Citizens Property Illegally Confiscated, Removed, or Otherwise Taken Out of Their Possession in Connection With Political Reprisals, Reimbursing Them for Its Value, or Paying Them Monetary Compensation" adopted by the Russian Federation Government was published in ROSSIYSKAYA GAZETA 24 August (see also ROSSIYSKAYA GAZETA for 1 September). It is clear from a Finance Ministry letter that appropriations to the tune of 744.3 billion rubles [R], of which R100 billion is earmarked to reimburse or pay compensation to persons who have been rehabilitated and had their property rights restored, will be allocated in the current year to carry out this and previously adopted decrees.

But these payments are not restricted to the aforesaid amount. In 1995 and in subsequent years spending on these purposes will also be taken into account when the federal budget is being drawn up. [passage omitted]

Ministry Favors Lifting Arms, Grain Export Duties

LD0809143794 Moscow ITAR-TASS in English 1322 GMT 8 Sep 94

[By BUSINESS-TASS]

[Text] Moscow September 8 TASS—The Russian Foreign Economics Ministry has come out for lifting exports duties from a number of goods, primarily arms and grain, said chief of the main tariff department of the Russian Foreign Economics Ministry, Aleksandr Daniltsev, in an interview with BUSINESS-TASS today.

High rates of export duties and strong competition impede Russia's penetration into new markets of arms and military hardware, Daniltsev said. It is necessary to create favourable conditions for increasing exports of high tech products which are Russia's most important kinds of technical exports.

A proposal made by the Russian Foreign Economics Ministry to grant a privileged regime to grain exports has not been adopted yet. According to experts of the Russian Foreign Economics Ministry, this year Russia might offer some kinds of these products to the world market. An incentive, such as lifting exports duties, would have a favourable influence on farmers in the period of harvesting, Daniltsev said.

He pointed out that in order to reduce the influence of deterring factors on the Russian exports, measures are being taken to reduce customs tariffs for exports and reduce the number of goods on which exports duties are

levied with the aim of step-by-step lifting exports tariffs as early as by the end of 1995.

Foreign Debt To Be Payed in Private Company Shares

LD0809191094 Moscow INTERFAX in English 1314 GMT 8 Sep 94

[Text] The Russian government is to work out a plan later this autumn to help repay the country's foreign debt in private company shares.

Vice Premier Anatoliy Chubays in an interview with Interfax said the new document would set down rules of debt repayment to Western countries on the basis of which concrete decisions would be taken for debt conversion into private company shares.

Experts of the state property committee say this could help convert Russia's debt to foreign companies into shares to be used as legal tender for the purchase of shares of any Russian company at investment auctions. The committee is now working over a similar scheme for Hungary and the Czech Republic.

At the same time, Chubays denied that there were any government resolutions on debt repayment to individual countries. He said concrete decisions would be taken only on the basis of a universal mechanism to be approved by the end of November.

Some estimates say Russia's external debt runs at more than \$80 billion, \$12-15 billion of which is owed to private Western companies.

Chernomyrdin Orders Payment of Debt to Schools

MM0809125994 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 8 Sep 94 p 2

[RIA report: "Government Paying Debts to Schoolchildren"]

[Text] Russian Prime Minister Viktor Chernomyrdin has issued a directive settling the federal budget debt to schools for funds earmarked for food and clothing for orphans and children from underprivileged families. He has also instructed the Finance Ministry to adopt measures to pay teachers' wages and pay for the repair of school buildings. The premier also considers it expedient to study the question of preferential rates for municipal services for schools.

According to the Education Ministry's figures, the federal budget debt to schools at present stands at 400 billion rubles [R], R100 billion of which was supposed to have been allocated for clothing and food for orphans. According to Russian Education Minister Yevgeniy Tkachenko, the question of food subsidies is highly topical because one schoolchild in six and one vocational and technical college student in two come from needy or one-parent families.

Further Chernomyrdin Remarks on Grain Imports*MM0809125394 Moscow ROSSIYSKAYA GAZETA in Russian 8 Sep 94 First Edition p 1*

[Report by Aleksandr Gavriluk: "Will We Nonetheless Buy Grain?"]

[Text] The statement from Premier Viktor Chernomyrdin after yesterday's meeting with U.S. Secretary of Agriculture Mike Espy seemed quite sensational. Viktor Stepanovich announced that we would be buying overseas grain. But mainly for the Far East or, for instance, for Sakhalin. "Transporting it across the entire country, from the south, would be too unprofitable for us. But we will also be selling our own grain. This year we have enough grain and, if the weather does not hold us up, we expect to harvest 92-96 million tonnes."

Touching on purchase prices for Russian grain from this year's harvest, Viktor Chernomyrdin stressed that the government is not aiming to swindle the peasants. "Our task is to satisfy, insofar as we can, the interests of both producer and consumer," he said. He refused to give any specific figures. "The market will determine the price," Viktor Stepanovich reported.

Provisions of Finance Ministry Statute Summarized*MM0809122394 Moscow IZVESTIYA in Russian 8 Sep 94 p 2*

[Report by Ivan Zhagel: "Finance Ministry Ordered To Become Strategist"]

[Text] The Russian Government has ratified the new "Statute on the Russian Federation Ministry of Finance." Commenting on its adoption, First Deputy Finance Minister Andrey Vavilov stated that the document does not so much imply a fundamental reorganization of the Finance Ministry in the future as reinforce the changes in its work which have occurred over the past few years.

It should be added that the main change is that during the years of reform the Finance Ministry has moved from being a subordinate and largely second-rate administrative organ within the former Union government to occupy a prime position in the Russian economy. So, whereas previously the movement of material and financial resources was mainly regulated by the Gosplan [State Planning Committee], nowadays, in accordance with the adopted statute, it is the Finance Ministry that "elaborates and implements the strategic avenues of unified state financial policy," "focuses financial resources in priority areas," "elaborates proposals for attracting foreign credit resources into the economy," and so forth.

The upgrading of the Finance Ministry's role is actually a natural phenomenon in any market economy. It is no accident that in most developed countries the finance

minister is also a first deputy premier—in other words, the premier's right-hand man. But Russia is still going its own sweet way: We have had an acting right-hand man—that is, an acting finance minister—for eight months now. Most probably, top Russian officials are unable to oppose the objective upgrading of the Finance Ministry's role, but they prefer to keep its leader on a short leash, without finally ratifying him in the position.

The new "Statute on the Russian Federation Ministry of Finance" also develops the constitutional provisions on the federal composition of the country. Thus, in accordance with the adopted document, the Finance Ministry "coordinates the activities of republic finance ministries and of financial administrations in krais, oblasts, and cities of federal status," and gears their activity toward "observance of the unified principles of financial and budgetary planning." We can assume that these provisions will limit the ability of local authorities to introduce more and more taxes and other imposts.

Finally, the "Statute on the Ministry of Finance" will encourage this organ to undertake more vigorous regulation of the emerging financial markets. For instance, one article in the document directly obliges the Finance Ministry to "prohibit or suspend the issue of securities by joint-stock companies and other issuers if they violate Russian Federation legislation." It is to be hoped that such articles will be rigorously and efficiently enforced.

Finance Ministry To Introduce Tax Codes*MM0909102594 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 9 Sep 94 p 2*

[POSTFACTUM report: "Ministry of Finances Proposes Codes To Prevent Tax Avoidance"]

[Text] The Ministry of Finances plans to elaborate a system of tax codes which will be assigned to every enterprise and to oblige banks not to carry out operations involving the documents of enterprises not registered with the tax service, acting Minister of Finances Sergey Dubinin has announced.

He said that right now they are succeeding almost completely in levying taxes from state enterprises, while it is very difficult to do this with regard to enterprises in the private sector and the services sphere.

"Until the code system has been elaborated the tax service must seek to register as many enterprise accounts as possible," Sergey Dubinin said.

Dubinin: Implementing 1994 Budget Impractical*MK0909120794 Moscow NEZAVISIMAYA GAZETA in Russian 9 Sep 94 p 1*

[Unattributed POSTFACTUM report in the "In Brief" column: "Sergey Dubinin's Opinion"]

[Text] The intention to fulfill the budget 100 percent is unrealistic and will only aggravate the nonpayments

crisis, acting Finance Minister Sergey Dubinin said. The 1994 budget was drawn up based on a higher monthly inflation rate (approximately 15 percent) than it turned out to be in reality. As a result, the budget will receive smaller revenues and therefore the Finance Ministry will not be able to finance all budget programs.

Dubinin Confident Inflation Will Stay at 5%

LD0809175594 Moscow Radio Rossii Network in Russian 1300 GMT 8 Sep 94

[Text] Acting Finance Minister Sergey Dubinin has expressed confidence that price rises in the country will be held at the five percent level until the end of this year. He said that at the beginning of autumn, however, there may be a small inflationary outbreak in price increases of seven to eight percent. This is connected with the seasonal credits in the agrarian sector and delivery of goods to the north. But by November the rate of inflation will be reduced to its previous figure, Sergey Dubinin believes.

Charter for State Enterprises Approved

LD0809200094 Moscow INTERFAX in English 1631 GMT 8 Sep 94

[Text] The Russian Government has approved the charter for state enterprises (factories) which will be under control of the state and financed from the state budget. The charter of the state enterprise envisages the state's full control over the state factories' activities, including the creation by them of subsidiaries, the use of state property and credits.

According to Russian laws, a state factory is created by a government decision on the basis of a liquidated state enterprise whose privatization is banned.

The state enterprise can be liquidated if the budget money is used not for its designated purpose, if there is no profit on the results of the past two years, if the enterprise's property is leased or sold.

The Russian government determines the list of products produced by the enterprise and prices for them. The enterprise also has the right to conduct individual economic activities, and use the profits as it likes.

Government experts believe that a small number of loss-making Russian enterprises, for example, post offices, railways and correction labor camps could be run by the state.

Adoption of New Securities Law Urged

MM0709150194 Moscow IZVESTIYA in Russian 7 Sep 94 p 1

[Report by Yaroslav Shimov: "Fall Offensive Replaces Summer Campaign. The State Continues Its Attack on Finance Companies"]

[Text] To all appearances, August, which broke all the records for the number of scandals involving finance companies, could turn out to be merely a softening-up phase prior to the state's mighty offensive against commercial structures accepting investments from the population. The government is preparing a new decree concerning the securities market. It will probably be very tough on the numerous stable companions of the "MMM" joint-stock company and Russkiy Dom Selenga, which have become big noises all over Russia.

But no decree, edict, directive or whatever can take the place of a full-blown law clearly describing what not only businessmen but officials as well can and cannot do. In conversation with your IZVESTIYA correspondent Aleksandr Livshits, head of the Russian president's group of experts, complained that the legislators had done practically nothing to provide even half-way civilized rules for the money-making game which has so caught on with the people. Yet it was on 24 February, in his message to parliament, that President Yeltsin described straightening out the securities market as an important state task in the economic sphere.

Instead of efforts to rid the market of swindlers, which is what is really needed, what we have is a fairly chaotic, often legally dubious, but powerful attack by the Central Bank, Finance Ministry, and tax services on the biggest finance companies. But Aleksandr Livshits believes that the steps that are being taken by the authorities to protect investors in firms that are going bust conform entirely with world practice, although there are "elements of official zeal" in their implementation.

But here too Russian statesmen have come up with something original. For instance, the other day the Moscow City Duma decided to set up a state fund to support victims of fraudulent share dealing. Some seven billion rubles [R] were put into the fund from money confiscated at various times by the Internal Affairs Ministry from swindlers who had been arrested. Although it is not entirely clear who should be regarded as victims in this case: Merely the clients of the companies whose leaders have routinely stolen their investors' money ("Technical Progress," the Independent Oil Concern, and so on), or investors in firms that have not gone anywhere but, for various reasons, have stopped making payments (Russkiy Dom Selenga, "Tibet," the People's Investment Construction Company, and so on).

There are some other little jobs for the makers of laws and decrees. The rapid development of the securities market has led to the appearance of a multitude of legal traps, which go unnoticed by unsuspecting investors not very familiar with the legal subtleties. One of them was encountered by the holders of People's Investment Construction Company bills of exchange, who decided to protest over their bills in view of the fact that the company had postponed payments on them for the third month running. Apparently the bills had not been drawn up correctly: They showed the amount invested by the

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client, but not the sum to be paid at the end of the particular period, that is, investment plus interest. Now no court is entitled to recover from a company a single ruble on top of what was originally invested. It is very likely that the mistakes made by the company's employees in drawing up the bills were unintentional. But, in principle, incorrectly drawn up securities can be an excellent aid to dirty tricks. And it would be rather difficult to take action against swindlers in this case, again because of the defects in the laws.

I remember before the recess how many of our parliamentary figures were proud that the State Duma had succeeded in adopting 200 and more laws in record time. It would not be a bad idea if it were to work just as well this fall, not only quantitatively but also qualitatively. Indeed, as the summer showed, our legislation matches the best sorts of Swiss cheese in terms of the number of holes in it.

Export, Import Figures Released

LD0909115394 Moscow *ITAR-TASS in English* 1124 GMT 9 Sep 94

[Text] Moscow September 9 BUSINESS-TASS—Between January and June of the current year joint and foreign enterprises, operating in Russia, exported from this country 1,596 million dollars worth of goods, which exceeds the import figure by 445 million, says a report of the State Committee for Statistics, received by BUSINESS-TASS. In comparison with the corresponding period of 1993, imports went up 12-fold and exports—by 950 percent.

At the same time, the data of the State Committee for Statistics shows that the share of joint and foreign enterprises in Russia's exports continues to be rather small—only 7.4 percent.

Britain was the biggest importer of goods, sold by joint and foreign enterprises. It accounted for 27 percent of their exports. Britain was followed by Germany (16.3 percent), Czech Republic (6.1 percent) and Japan (5.4 percent).

There were 7,758 joint and foreign ventures operating in Russia between January and June of 1994. They were created with the participation of firms from 117 foreign countries and employed a total of 290,000 people.

Food Prices Show Slight Fall in August

MM0909085994 Moscow *IZVESTIYA in Russian* 7 Sep 94 p 2

[Unattributed report: "Basic Food Products Become Cheaper for First Time"]

[Text] Increase in average cost of basket of the 19 most important products per month in 1994 (as at end of period, as against previous month, in rubles per person)

January	6,523
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February	3,730
March	3,001
April	3,301
May	6,295
June	3,414
July	4,753
August	-534

The inflation rate was the lowest in the entire period since the liberalization of prices at only 4 percent. The seasonal reduction in prices for fruit, vegetables, and potatoes played the most important role in this. For the first time in the last two and a half years the cost of the basket of the 19 most important products went down 534 rubles [R] and totaled R61,600.

The Center for Economic Conditions under the government reported that during August average food prices changed by only 0.7 percent. Moreover, price increases were noted only in official trade (2.3 percent). Because of the cheaper fruit and vegetable prices, prices at markets during the month went down more than 10 percent. Excluding fruit and vegetables, they went up 7.6 percent.

By the end of August the biggest price increases had been for sugar, flour, vegetable oil, and salt—between 17 and 19 percent—and prices of bread, groats, pasta, and confectionery had increased 8-10 percent. Price increases for fish and dairy products were insignificant at 2.5 percent, while on average animal fat was on sale for the same as it cost in July. Since the beginning of the year food goods have become an average 80 percent more expensive.

There is still a great difference between the maximum and minimum cost of the basket of 19 basic products in various Russian cities—over fourfold. In August a price increase for food products was observed mainly only in small and medium-sized cities. In over half of the country's regions the cost of the basic basket decreased. During August the cost of this basket in Moscow increased 2.5 percent and totaled R70,500, while conversely in St. Petersburg it decreased 8 percent is now R65,100.

Presumably the seasonal fall in inflation because of cheaper fruit and vegetables will last another month, and will then get back to the underlying level forecast by experts—8-10 percent. Thus excluding the "fruit and vegetable" factor in August, underlying inflation in this month would have totaled 6.9 instead of 4 percent.

Military, Nuclear & Space Issues

TU-134 Plane Crashes Near Moscow

LD0909102294 Moscow *ITAR-TASS World Service in Russian* 1006 GMT 9 Sep 94

[Text] Moscow, 9 Sep—A Tu-134 aircraft crashed during a test flight at 1107 today northeast of the town of

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Yegoryevsk in Moscow Oblast. First reports say that all eight people on board were killed. However, by 1400, the bodies of only four of them had been found.

ITAR-TASS was told at the Russian Ministry for Emergency Situations that the aircraft belonged to the Gromov test-flight institute, which is situated at Zhukovskiy near Moscow.

The Tu-134 was carrying out flight tests together with a Tu-122 strategic bomber.

Rescue workers are at the crash site.

Crashed Plane on Training Mission

LD0909110594 Moscow ITAR-TASS World Service in Russian 1038 GMT 9 Sep 94

[By ITAR-TASS correspondent]

[Text] Moscow, 9 Sept (ITAR-TASS)—A Tu-134 and a Tu-122 aircraft were carrying out training, not test flights, in the area of Zhukovskiy city in Moscow oblast. The crash occurred during one of the turns. As a result of a collision the more powerful Tu-122 withstood the impact and was able to make a landing at the airfield in Zhukovskiy, "dragging" with it fragments of the trim [obshivka] of the other aircraft.

Smoldering fragments of the Tu-134 have been discovered by a helicopter in the region of Samoylikha village. The tail number of the stricken aircraft is 65760.

Border Guards To Stage Strategic Command Exercise

LD0809191694 Moscow INTERFAX in English 1314 GMT 8 Sep 94

[Text] The Russian border guards will stage their first ever strategic command exercise, code-named Vostok-94, on September 12-17. Officials in the border guard headquarters told Interfax that the Trans-Baykal, Far Eastern, Pacific and North Eastern Border Guard Districts, a Federal Counterintelligence Service, Interior Ministry and Emergencies Ministry task force, the headquarters of the Trans-Baykal and Far Eastern Military Districts, the Pacific Fleet and the Siberian and Eastern Interior Troops Districts would take part in the exercise to cover the Russian border from the Altai to the Chukotsk Peninsula.

The exercise is essential to test the teamwork of all the ministries and agencies in the border areas.

The officials emphasized that the exercise was not intended as a threat or demonstration of territorial claims against neighboring countries.

The exercise was preceded by exercises in the districts.

Command exercise of the Far Eastern Military District under the same code name started on August 16 and the

first stage of exercise in the Far Eastern Border Guard District started on September 8.

Commercial Financing for Military Orders Proposed

LD0809150094 Moscow ITAR-TASS in English 1401 GMT 8 Sep 94

[By ITAR-TASS correspondent Lev Frolov]

[Text] St. Petersburg September 8 TASS—Specialists from leading engine-building factories of Russia suggested an alternative to budgetary financing of big military orders which were based, from the days of yore, on the principle "take as much as you want".

They united on a commercial principle by establishing the "MTA Corporation" joint stock society. It consists of designers, producers and sellers of combat materiel which organise cooperation along the entire chain "design-readymade-article-trade-deal".

Incidentally, the abbreviation "MTA" in the name of the new society mean "Motors, Turbines and Aggregates". Shareholders displayed special interest in these most important elements of aircraft.

They represent mass-production and experimental factories, design offices in Moscow, St. Petersburg, Omsk, the Aviation Bank, the Rosvooruzheniye trading company and other firms.

"The big order to supply Russian MiG-29 fighters to Malaysia gave us an impetus to set up the society," says Gennadiy Yezhov, deputy general designer of the St. Petersburg scientific and production enterprise.

Former approaches to the production of new technology "do not work any more", the more so, since it is necessary to step up export of Russian combat aircraft. "For this purpose, we intend to increase the engines' life and to improve their service, taking into account Western standards," Yezhov noted.

"We intend to tackle these issues not through traditional centralised financing but thanks to putting into effect market levers, adroit commerce and initiative within our corporation," he continued.

Corroborating his words with the example of modernisation of the jet engine for the MiG-29 fighter to increase its service life, the expert described principles of cooperation between all participants in this work.

The corporation has to develop new materials, control systems and units as well as to work out advanced technologies within a short period of time, nearly in four years.

Material incentives will sum up the results of cooperation: Executors will receive payments from the MTA corporation for contracts filled within agreed periods and with high quality.

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Prosecutor Ilyushenko Views Crime in Army

MM0809120394 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition pp 1, 3

[Interview with Acting General Prosecutor Aleksey Ilyushenko by Vladimir Klimov under the "In the First Person" rubric; place and date not given: "Shoulder Boards Will Not Save a Criminal"]

[Text] The Army is sometimes called a state within a state. Yes, it has its own laws—the regulations—but it is not free of the problems that beset society. Including the problem of combating crime. It is just as acute in the Armed Forces as it is in society itself, as it is reflected there—our correspondent Vladimir Klimov talked about this with Russian Acting General Prosecutor Aleksey Nikolayevich Ilyushenko.

[Ilyushenko] Surely the state of crime in the country and its nature were affected by the free-for-all that reigned when the units of the former Soviet Army were being disbanded in the Transcaucasus and in Central Asia? Thousands of weapons found their way into God knows whose hands. Now these guns are turning up in Moscow, St. Petersburg, and Yekaterinburg and are being used in interethnic armed conflicts, robberies, murders, and bloody vendettas.

And deserters who fled from their units, taking assault rifles? These are potential gunmen for criminal groupings. So the measures outlined in the Federal Program for Combating Crime and in the presidential Edict on the Struggle Against Banditry also directly concern people in military uniform.

But is the Army itself always to blame? Let us state frankly: No. Much has been said about the financial difficulties in the Army. They inevitably lead to a drop in the prestige of the military profession, a lowering of exactingness, and a weakening of military order. Where the latter does not exist, anything can be expected. Particularly with the reinforcements now joining the troops.

[Klimov] That is, crime in the Army is growing, just as in the country?

[Ilyushenko] Statistics record a drop in its level. This year there have been significantly fewer evasions of service, thefts of weapons and ammunition, and manifestations of so-called dedovshchina [bullying]. But there has been an alarming increase in the number of grave crimes, murders, and hooliganism. Many people are dying not in hot spots but in a peaceful situation. So it is premature to speak of an improvement in the situation in the Army. The number of crimes has fallen owing to the reduction in the number of troops.

[Klimov] How objectively are crimes investigated? Many people say that only scapegoats feature among the accused, while high-ranking chiefs escape.

[Ilyushenko] I cannot agree with that. It is, rather, the reverse: Chiefs endowed with powers to dispose of material and monetary means, equipment, and armament have recently been figuring more frequently among the accused. That is, people who are obliged to establish and maintain strict order and to exercise control over subordinates.

The control and inspection apparatus must be seriously strengthened. For unlawful actions frequently become known to the Prosecutor's Office. When the harm that they do becomes huge, it simply cannot be concealed. The control workers' dependence on the command makes itself felt. Because of this, inspectors do not always reflect objectively the results of financial and economic activity among the troops and do not forward materials on thefts, abuses, and shortages to the military prosecutor.

[Klimov] If objectivity is lacking in the inspection service, what can be said about the official figures for servicemen who have died? Maybe those people who write about many thousands of victims in the Army are right?

[Ilyushenko] It is high time we satisfied the demands of soldiers' mothers and human rights organizations and made public the statistics relating to servicemen's deaths and injuries. We must also reveal the coefficient of deaths per 10,000 or 100,000 servicemen per annum.

This also concerns crime. Everyone must see how the situation is changing in the Armed Forces and how it corresponds to the analogous indicators for foreign armies. After all, this could be of benefit to the Army's prestige, since the figures that somebody is bandying about are far more terrible than the reality.

[Klimov] When trying to explain the causes of extraordinary events, commanders most frequently blame the victims themselves. Is this so?

[Ilyushenko] We have analyzed criminal cases relating to deaths of personnel and ascertained that many tragedies result from commanders' failure to fulfill the regulations and laws. Confirmation of this conclusion can be provided by the circumstances of the deaths of seven sailors on board the Northern Fleet's cruiser Admiral Flota Gorshkov.

Drunkenness, thieving, and fighting had become an everyday phenomenon on board the ship. But the commander concealed this and attempted to teach the violators a lesson in his own way. They were incarcerated in a metal bunker adapted as a detention cell. Some 75 seamen passed through this cell. They spent a sum total of 370 days in it.

On the tragic February day seven men, under arrest for drunkenness and fighting, were in the detention cell with an area of 4 square meters. Suddenly a defective pipe burst. Scalding steam gushed into the cell. Nobody could be saved.

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An unforeseen accident? Yes, with regard to the steam, although even here there must be an investigation. But, if the disciplinary arrest had been carried out lawfully, in the guardhouse adapted for this purpose, with 24-hour guard service, there would have been no tragedy.

It certainly does not pay a commander to publicize instances of bullying and barrack hooliganism. "Our advancement in the service depends on disciplinary indicators"—you most frequently read this kind of explanation for connivance at nonregulation relations in the written record of interrogations of commanders of subunits in which a tragedy has occurred. How many directives have already been issued on support for principled officers, but little has changed.

People conceal not only minor violations but also criminal deeds. But, as is known, connivance and lack of punishment merely exacerbate the situation: Violators behave more brazenly. Victims react to injustice in different ways. Some go absent from their unit without leave, others lay hands on themselves, and yet others mete out their own justice.

[Klimov] Like what happened at the border post on Tanfilyev Island? Or were there other causes of that tragedy?

[Ilyushenko] It was, unfortunately, a typical example of lynch law. D. Belkov and A. Bogdashin could not stand oppression and decided to get even with the offenders. They killed six people and wounded eight. Both the offenders and those who attempted to stop the violence suffered. The investigation showed that there had been frequent drinking bouts at Captain S. Solomakhin's post, drugs that had been stolen from a safe in the commander's office were used, and old hands taunted young ones. But nobody higher up knew anything about this.

[Klimov] How are servicemen's deaths—for any reason—to be ruled out?

[Ilyushenko] The numerical strength of the Armed Forces is now being reduced. The personnel organs of the Ministry of Defense and the border and internal troops have every opportunity to get rid of commanders who, in terms of their moral and professional qualities, are not capable of working with people or maintaining discipline and order. But those who remain in commission are to be provided with everything laid down in law. An officer must devote official time to work and to his subordinates, and not think about his own domestic or social problems.

This is one aspect of the matter. Another aspect boils down to the need to bring military units up to their authorized strength, so that soldiers and officers do not have to be on alert duty, stand on guard, and be in details continuously for weeks, as happens today. How can there be discipline, combat readiness, and vigilance here!

Problems of manning are directly linked with the fulfillment of the law "On Military Service Obligation and

Military Service." They can only be resolved in cooperation by the Army's mobilization and personnel organs, military commissariats, and territorial and military prosecutors.

[Klimov] Evasion of Army service is on a mass scale. Should young people be herded into the Army at gunpoint?

[Ilyushenko] There is no need to herd them. But service evasion should not be connived at either.

[Klimov] Civil rights movements have quite a lot of complaints against organs of inquiry in the Armed Forces. Would it not be better to concentrate in the hands of the Military Prosecutor's Office the investigation of everything that happens in the Army?

[Ilyushenko] For many years there has been talk of creating a military militia or police isolated from the local command, with structures of criminal investigation and inquiry.

Unfortunately, the matter has gotten no further than schemes. Inquiries continue to be conducted by troop officers. Everything is directed by the commander of the unit or subunit in which a crime has been committed. But he, of course, is not interested in revealing the true causes of what happened, since they frequently result from his own official blunders.

But we cannot yet stop using military unit investigators. The Military Prosecutor's Office is experiencing an acute shortage of cadres, particularly investigators. The unhealthy fuss raised over it several years ago and the calls to abolish that well-manned structure, which was working quite well, did nothing but harm.

Many experienced jurists have left military prosecutor's offices. The losses have not yet been compensated for. The shortage of investigators runs to hundreds. These posts have to be filled by external students without military experience. It is also abnormal that general's and colonel's posts in the swollen leadership structure of the Military Prosecutor's Office have been filled, while there is a shortage of officers directly engaged in exposing and investigating crimes.

Time dictates the need to improve this whole system. Principledness and consistency in ending unlawful actions and the strict calling to account of officials who have allowed violations to occur will help to eliminate tension among the troops and contribute to crime prevention in the Armed Forces.

Survey Reveals 'Disenchantment' in Military
MS0809125094 London FINANCIAL TIMES in English 8 Sep 94 p 2

[Report by John Lloyd: "Russian Military in Troubled Mood"]

[Text] Moscow—The first extensive survey of Russia's senior military officers reveals a group of men deeply

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disenchanted with Russia's place in the world and their place in Russia—as well as fearful of the future and resentful of the past.

Most officers on or above the rank of major thought that “without authoritarian rule we cannot overcome chaos”; that “Western types of democracy are not suitable to Russia” and that the “main foreign policy task must be to re-establish Russia as a great power respected throughout the world”.

The poll, carried out for the Friedrich Ebert Stiftung—the German social democratic think tank—by the Munich-based Sinus polling group in co-operation with sociologists at a Russian military academy, is a unique view of the mindset of a sample of 615 senior officers, including 60 generals and admirals. Though it shows that they do not endorse the more extreme nationalist politicians and parties—such as Mr. Vladimir Zhirinovskiy, leader of the Liberal Democratic Party—they are overwhelmingly in favour of a strong hand to guide the state and evidently feel that such a hand is presently lacking.

When asked which political or military figure they trusted most, the only two men to achieve more than 50 percent (and to score less than 20 percent on a disapproval rating) were General Alexander Lebed, commander of the 14th Army based in the Transdnestr enclave of Moldova, and Mr. Boris Gromov, the deputy defence minister who was the last Red Army officer to leave Afghanistan. Both of them are charismatic, hard-line and critical of the present regime.

General Lebed, who has called President Boris Yeltsin a “nullity”, said in an interview in the Financial Times on Tuesday that it “is just not possible” to create a democratic state in Russia and asked: “What’s wrong with a military dictator?”

By contrast, Mr. Boris Yeltsin, the Russian president, scored a little over 25 percent, with a 50 percent disapproval rating; and General Pavel Grachev, the defence minister, scored around 20 percent, with a more than 50 percent disapproval rating.

Mr. Zhirinovskiy scored around 10 percent, with a 60 percent disapproval rating, while former Soviet president Mr. Mikhail Gorbachev scored 2 percent, with a disapproval rating of around 75 percent.

The most popular views of the immediate future were dark, even catastrophic. More than half thought that there would be one of the following alternatives: Mass uprisings and strikes in different regions; the reassertion of a dictatorship; an explosion in a nuclear power station; or a military putsch. Very few believed in successful economic reforms or full co-operation with NATO, though few foresaw a return to socialism, the Cold War or a planned economy.

Other less apocalyptic views reflected in the survey including a high rating for Mr. Grigory Yavlinsky, leader of the Yabloko group in the State Duma (lower house) and a moderate reformist.

The most popular foreign policy goal, endorsed by 55 percent, was the re-establishment of Russia as a great power enjoying respect throughout the world.

This goal scored just higher than agreement on a worldwide system of security.

Destroyer Besstrashnyy Enters Northern Fleet

MM0809130594 Moscow KRSNAYA ZVEZDA in Russian 8 Sep 94 p 1

[Report by Dmitriy Litovkin: “Besstrashnyy Not Afraid of Service in the North”]

[Text] The destroyer Besstrashnyy commanded by Captain Second Rank Pavel Kozlov has arrived in the Northern Fleet. This ship recently joined the Russian Navy strength.

Built at St. Petersburg's “Severnaya Verf” shipyard, the destroyer will constitute a worthy addition to Russia's family of warships. During acceptance of the ship the crew encountered an attempt by the shipbuilders to hand over the ship with considerable defects. Were it not for the exactingness and experience of the accepting officers, the ship would have been standing at the plant moorings for a long time to come. The crew coped with the acceptance difficulties, made the passage to the Northern Fleet, and is now preparing to put to sea again for the shooting competition for the Navy commander in chief's prize.

Chelyabinsk Uranium Thieves Receive Jail Sentences

LD0809171294 Moscow ITAR-TASS in English 1631 GMT 8 Sep 94

[By ITAR-TASS correspondent Yevgeniy Tkachenko]

[Text] Chelyabinsk September 8 TASS—The trial of stealers of five kilograms of Uranium ended in the closed city of Snezhinsk, more known as “Chelyabinsk-70”.

The VECHERNY CHELYABINSK newspaper reports today that there are three defendants—two men and one woman, all of them being scientific workers of the All-Russian Research Institute of Technical Physics dealing with creation and improvement of nuclear weapons.

The court found all three guilty. The woman is sentenced to three years of imprisonment conditionally. The same sentence was pronounced with respect to one of the men (without confiscation of property). The leader of the group was sentenced to four years of imprisonment, also conditionally. All of them are given a probation period.

Soft sentences account for the fact that the damage done by defendants was fully reimbursed.

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Cosmonauts Begin Scheduled Space Walk

LD0909105894 Moscow ITAR-TASS in English 0932 GMT 9 Sep 94

[By ITAR-TASS correspondent Veronika Romanenkova]

[Text] Moscow September 9 TASS—Cosmonauts Yuriy Malenchenko and Tlgat Musabayev continue operations in space as scheduled. At 10:40 a.m. [0640 GMT], the cosmonauts walked out of the orbital station Mir to examine and repair damages and install scientific equipment, ITAR-TASS learned from the space mission control centre.

During the time left before the entrance hatch is shut down (scheduled at 14:26 p.m. [1026 GMT]), the chief pilot and the pilot engineer are to install new apparatuses containing samples of materials whose properties will be studied under conditions of weightlessness, prepare a surface for the installation of a cargo lever, which helps to move different cargoes, and examine and repair damages on the outer surface of the station.

The cosmonauts have been permanently reporting about the results of their work to chief expert Vladimir Solov'yev, who controls the flight from the earth.

Federal Assembly

Yeltsin Returns Seven Laws To State Duma

LD0809175394 Moscow Radio Rossii Network in Russian 1300 GMT 8 Sep 94

[Text] Boris Yeltsin has returned to the State Duma seven laws adopted at its first session. The lower chamber of parliament will reexamine at its autumn session another 11 acts of legislation rejected by the Federation Council. This was stated in an interview for INTERFAX by Mikhail Mityukov, first deputy chairman of the Duma.

State Duma To Review 'Referendum' Bill

LD0809140394 Moscow ITAR-TASS in English 1326 GMT 8 Sep 94

[By ITAR-TASS diplomatic correspondent Ivan Novikov]

[Text] Moscow September 8 TASS—The Russian State Duma (lower house of parliament) is likely to review the "Referendum" bill before the end of the first of half of 1995, maybe even earlier, Vladimir Isakov, chairman of the parliamentary committee for legislation and judicial-legal reforms, told ITAR-TASS today.

It should be recalled that Russian Communist and agrarian parties are especially interested in this bill which had announced their decision to start a signature collection campaign for a referendum on holding mid-term presidential elections.

Vladimir Isakov did not comment on the bill's statutes in detail, since, according to him, "all questions are still in the stage of discussions." However, he is convinced that the regulation regarding the collection of at least one million signatures necessary for holding any referendum will stay. Isakov explained that this regulation existed in the previous law on referendum, which ceased to be valid with the approval of the new Constitution. Now it reads that questions concerning referendums will be regulated by the federal constitutional law. "This means that the State Duma will have to approve the bill by a two-third majority," he clarified.

The Duma committee chairman did not rule out the possibility of encountering difficulties during the review of this legal document. "Although the bill is fully passable, since our house has already showed that it is capable of approving constitutional acts," he added [sentence as received]. "It is not a bill which can evoke sharp political polarization of deputies," he emphasised.

Security, Federation Councils Must Consider Chechnya

LD0809190094 Moscow INTERFAX in English 1314 GMT 8 Sep 94

[Text] Deputy Chairman of the Russian Duma Defense Committee, Aleksandr Piskunov said that the situation in Chechnya rules out the possibility of the use of force by federal authorities. At the same time, Piskunov said in an interview with Interfax, "the situation in this North Caucasian republic should be considered by the Russian Security Council and at the special session of the Federation Council".

He said that Russia's stance in the region should be tough. He spoke in favor of Moscow introducing economic and information sanctions towards Chechnya. According to Piskunov, the border with Chechnya should be closed, for which relevant decisions of the Russian Security and Federation Councils are needed.

Regional Affairs

Chechnya Said Shopping for Stingers in Afghanistan

MK0909085094 Moscow NEZAVISIMAYA GAZETA in Russian 9 Sep 94 pp 1, 2

[Report by Vadim Yegorov in the "Version" column: "Chechen Stingers Could Appear in the Russian Sky. Dzhokhar Dudayev's Emissaries Are Holding Talks With Afghan Mujahidin"]

[Text] One of the most unpleasant consequences of the Chechen crisis has been the sharply increased threat of terrorist acts on vital transport, and on nuclear engineering and technologically hazardous production facilities in the Russian Federation. As is known, Dzhokhar Dudayev has made repeated public statements about turning Moscow into "a disaster zone," while the latest

developments have presumably strengthened his position. Such sentiments have been widespread both in the Chechen president's immediate entourage, where the dominant positions are held by people with a criminal past, and with religious fanatics from among the residents of mountainous auls [villages] ready to die for the ideas of "jihad."

Even if all these statements are the usual propaganda bluff, they cannot be ignored: The price to be paid for a possible mistake will be too high. A report from Grozny, however, points to the seriousness of Dudayev's intentions to unleash a reign of terror on Russian territory in the event of harsh forcible action being taken against him.

A few days ago several officers from the Chechen State Security Department were sent to Afghanistan to hold talks with field commanders from the Golboddin Hekmatyar group on the subject of acquiring large numbers of Stinger portable anti-aircraft missile launchers. Such weapons were supplied to the mujahidin via Pakistan as part of a secret CIA program to disrupt the air bridge that supplied Kabul and units of the 40th Army with ammunition and food. Overall from October 1986 till the agreement on the limited contingent's withdrawal from Afghanistan was signed, approximately 1,200 Stingers got into the hands of field commanders, including the most modern modifications: Stinger-POST's and Stinger-RMP's, which can hit air targets even under heavy jamming and the firing of decoy flares. After the pullout of Soviet troops from Afghanistan the U.S. Congress allocated the CIA several tens of millions of dollars to buy the unused missiles (approximately 700) from the mujahidin, but the latter preferred to funnel part of the Stingers to the arms black market and get a much higher price for them.

Presumably it is the task of Dudayev's emissaries to convince their interlocutors about the beneficial terms of the deal proposed. Chechnya is ready to pay more than the CIA. If the Grozny emissaries' mission is a success, the Chechen president will get a very dangerous weapon into his hands. The Stinger is capable of hitting targets at altitudes of up to 4 km and at a range of between 500 m to 5.5 km.

Such missile launchers could be used by terrorists primarily against civilian aircraft (including specially chartered flights) in the area of Moscow airports. In these conditions the threats made by Chechnya against Russian Federation presidential chief of staff Sergey Filatov are taking on real contours. Moreover, the security of Boris Yeltsin's flights cannot be fully guaranteed.

The Kremlin's passive contemplation of developments in Chechnya is baffling. After all, it is clear that decisive and effective measures are needed to prevent extremely dangerous forms of terrorist manifestations and their preparation, and to neutralize threats against top Russian officials. Specifically, as the only efficient special service today, the Russian Federal Counterintelligence

Service [FCS] should be strengthened. A decision needs to be made to increase the staff of the FCS Antiterrorism Directorate, to upgrade job categories and raise the salaries of its officers. It is also essential to return the counterterrorist Alfa group to the FCS and to grant the FCS \$50-55 million to buy transport facilities, special supplies, gear, electronics, and other requisite property and equipment for counterterrorist units.

The threat of mass terrorism with a huge number of potential victims could become part of Russia's reality. Society has the right to demand decisive action from the president and the government to curb it.

Exodus from Chechnya Increases

LD0809143694 Moscow *ITAR-TASS World Service in Russian* 1320 GMT 8 Sep 94

[By ITAR-TASS correspondent Nikolay Styazhkin]

[Excerpts] Stavropol, 8 Sep—The flood of refugees from Chechnya to towns, settlements, and Cossack villages of Stavropolye—which has a 100-km long border with Chechnya—was high before, but it has trebled in the last few days, the ITAR-TASS correspondent learned at the Cossack headquarters of the Stavropol Regional Union of Cossacks.

The increase in the flow of refugees, as analysis carried out by the Cossacks shows, is connected with the fact that the civilian population of Chechnya has found itself in a difficult situation following the combat actions, which Dzhokhar Dudayev has opted to use in order to defend his regime.

Russians are finding it particularly difficult in Chechnya now. The Chechen authorities have done everything to force Russian refugees to either abandon their houses or sell them off for peanuts.

In connection with the worsening situation in Chechnya, the Stavropolye branch of the Union of Cossacks has sent Dzhokhar Dudayev a categorical demand, that the latter should cease tormenting his fellow countrymen. Otherwise the Cossacks reserve the right to take retaliatory measures in relation to the Dudayev regime, including the imposition of an economic blockade, and sealing all the main roads linking Chechnya and Stavropolye.

Chechen Clergy Issue Fatwa Prohibiting Violence

MM0209091394 Moscow *IZVESTIYA in Russian* 2 Sep 94 p 1

[ITAR-TASS report under the rubric "From Our Correspondents and News Agencies": "Chechen Muslims Prohibited From Using Arms in Political Disputes"]

[Text] Leaders of Chechnya's Muslim clerics have declared a categorical ban on the use of arms for resolving political disputes.

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They published the muftis' special decision—a fatwa binding upon all the republic's Muslims—in Groznyy. The document calls on the sides in conflict to show restraint and calm and to search for peaceful ways out of the present situation.

Stavropol Cossacks 'Seal Border' Against Chechens

MM0808115594 Moscow NOVAYA
YEZHEDNEVNAYA GAZETA in Russian 8 Sep 94 p 2

[RIA report: "Cossacks To Form Wall on Border with Chechnya"]

[Text] "If Dudayev's troops try to drive the opposition's armed forces out of Chechnya into the territory of Stavropol Kray, we will seal the border tight with units of regulars and cossacks and will not allow any groupings to escape into Russia," Viktor Ratiyev, chairman of the Council of Atamans of the Union of Cossack Armies of Russia and Abroad, has stated. In Ratiyev's opinion, the treaty on friendship and cooperation signed recently between the Great Don Army and the Chechen Republic is virtually the only mechanism for a peaceful settlement between the Chechens and Cossacks today. The chairman of the ataman council believes that even though Dzhokhar Dudayev has not signed the Civil Accord Treaty, the new document has been drafted in the spirit of President Yeltsin's initiatives and is a "bridge between official Groznyy and Moscow in the settlement of the situation in the North Caucasus."

Zhuganov: Defined Position on Chechen Issue Needed

LD0809112994 Moscow INTERFAX in English 0954
GMT 8 Sep 94

[Text] The Russian Parliament must set out its position following violent clashes in Chechnya, leader of the Russian Communist Party Gennadiy Zhuganov believes.

He insists that leaders of the parliamentary factions meet urgently to discuss the regional situation before the next session is called.

In an interview with Interfax on Thursday, Zhuganov said that nothing short of a new general election can help resolve the Chechen conflict. "It is up to the Chechens who are tired of factional fighting to elect a credible leader," he said.

Zhuganov insists the federal government take a more active position instead of "being a mere on-looker watching the unravelling of civil war on Russian territory".

He censured the National Security Council for inertia and failure to bring a comprehensive solution to the regional conflict.

Moscow Railway Views Chechen Bypass for Security

LD0809200694 Moscow ITAR-TASS World Service in
Russian 1712 GMT 8 Sep 94

[Excerpt] Moscow, 8 Sep—Russia is forced to take practical measures to build the 78 km long Kizlyar-Karlan-Yurt railway, by-passing Chechnya, to sustain the normal flow of supplies to the North Caucasian region, an ITAR-TASS correspondent learned from well-informed sources. The same sources said that the situation in Chechnya made it impossible for rail traffic to continue to cross the republic's territory because of organized robbery, damage to the rail tracks and signals, and attacks on trains in which the local population is increasingly taking part.

New Local Arm of Central Government Planned

MM0809090194 Moscow KOMSOMOLSKAYA
PRAVDA in Russian 7 Sep 94 p 2

[Article by Ravil Zaripov: "Is the Kremlin Opening Up Subsidiaries? Ivan Michurin Himself Would Have Envied the Strange Symbiosis in Russian Branches of Power..."]

[Text] "Like it or not, 1996 is just around the corner. It is coming upon us like an avalanche"...—a Kremlin official complained during a recent conversation. There is no need to explain his feelings. Therefore the question of who he sees as the next president met with a predictable answer, so to speak. "Yeltsin would be best."

Of late the Russian president has not issued statements about his plans for 1996. You can only surmise them indirectly—from the growing number of trips regarded (not without reason) as the start of the election campaign. The choice of itinerary is also typical. He has been either to regions that are trying to pursue an overly autonomous policy (the aim being if not to make links closer then at least to prevent them escaping further from the center's influence) or to krays and villages that failed to support Boris Nikolayevich in the December elections (hence the task of using all manner of promises to bring the "unreliables" back to the fold of the incumbent president's comrades-in-arms in time for 1996). The lamentable experience of Shushkevich and Kravchuk has undoubtedly worried Yeltsin's team still further. It can boldly be assumed that the Kremlin will step up its activity. And, strange as it may seem, it is not even a question of what Yeltsin himself wants. Whether Boris Nikolayevich wants to keep his post or not, his current presidential entourage will do everything they can to preserve his and (most importantly!) their own status for another term.

It is not enough to rely on apparatus games alone in and around the Kremlin in this situation today. Particularly given the existence among the powers that be of several strong political figures at the same time (such as Viktor Chernomyrdin, Vladimir Shumeiko, or Yuriy Luzhkov,

for instance) who, even though they are publicly denying they want the presidency, seem to be doing so only for the time being. That is why the fight for influence over the regions is growing within the president's entourage.

This fall the State Duma is due to examine a draft law on the organization of state power in the regions. There are several options, including, for instance, a proposal that the executive be headed by the president of a republic or the head of the administration. Or that leadership be exercised by a collegial organ, in other words, an executive committee—that is to say, government. Be that as it may, it is fairly obvious that the local dumas will have the final say when it comes to deciding the head of the executive and on the existing administration heads. Thus the team picked and appointed on Boris Yeltsin's personal instructions may disintegrate. At best the current heads of administration will be reelected in the localities for another term, and at worst the localities will put their own people in the posts. This may happen as early as spring 1995. In both scenarios the governors cease to be dependent on Moscow, and a powerful lever for influence over the regions slips out of the hands of the president and his entourage.

Let us not forget that Moscow has another branch that it created previously, namely the president's representatives in the localities. To be frank, they no longer have real power or influence over the local leadership. What is more, there are constant clashes between them and the heads of administration. The latter, evidently sensing the covert potential threat from the "representatives," have repeatedly petitioned the president to dissolve the parallel structure. Yeltsin has rejected these proposals and now, bearing in mind the prevailing situation, will hardly satisfy them. He will most likely try to keep as many of his people as possible in the localities and strengthen the hitherto purely decorative structure of the representatives.

A member of the president's fairly close entourage said that the question of creating a new structure to help strengthen presidential power in the localities and initially called the "federal house" [federalnyy dom] can be considered to have been resolved. The first federal house will be set up in St. Petersburg—not because the city on the Neva has revolutionary renown. It is all far simpler than that. The instigator was Sergey Tsypliyayev, the president's plenipotentiary representative in St. Petersburg.

The following question is logical: Who will live in the house? The crux of the idea is that territorial organs representing federal authority in the localities are united under one roof and a single leadership. Thus in St. Petersburg a single building will house the Russian president's plenipotentiary representative, Federation Council deputies and their assistants, the district inspectorate (part of the Russian president's Control Administration), the bankruptcies agency, the antimonopoly committee, the committee for land resources and land management, and the representative of the Ministry of Foreign Economic Relations. Under the federal house it

is proposed to create a unified chancellery, a first department, a cadre department, an accountant's office, a cash office, and a garage....

The new structure will make it possible, the authors of the idea claim, for all organs within it to implement a coordinated policy and coordinate their actions. But the main implication certainly lies elsewhere—in stepping up the authority of the president's representatives. Since all control and state-legal organs are and will remain under the jurisdiction of the federal authorities, territorial organs of the Federal Counterintelligence Service, the Internal Affairs Main Administration, and the Prosecutor's Office may well end up under the same roof.

Incidentally, the chosen site in St. Petersburg for the federal house is a five-story building constructed back during the Stalinist period which once housed the Sovnarkhoz (for those who do not remember: "A sovnarkhoz—council of the national economy—is a Soviet structure uniting executive power in the localities on the horizontal principle"). It is curious that the federal house looks across the square at the Smolnyy building, which currently houses the government chairman—St. Petersburg Mayor Anatoliy Sobchak. The square's architectural complex is completed by the residence of the governor—Leningrad Oblast Government Chairman Aleksandr Belyakov.

Future federal houses contemplated in the expanses of Russia will hardly have such impressive neighbors right next door on the same square. However, if they do, they will still not keep up with St. Petersburg since the square on which all this is situated is called Proletarian Dictatorship Square. The square has not been renamed, which, in the author's opinion, is undoubtedly right.

Sobchak Studies 1996 Presidential Candidates

LD0309145694 Moscow INTERFAX in English 1336 GMT 3 Sep 94

[Text] Mayor of St. Petersburg and Co-Chairman of the Russian Movement for Democratic Reforms Anatoliy Sobchak believes that if Boris Yeltsin joins the election campaign in 1996 he will unite the democratic political forces which he undoubtedly leads, and offer a powerful resistance to any other candidate.

If Boris Yeltsin refuses to run for presidency, the democratic forces will have to advance a single candidate capable of defeating a rival supported by neo-communists, nationalists and militarists, he told Interfax.

Sobchak is convinced that Vladimir Zhirinovskiy, Aleksandr Rutskoy and many other figures who refer themselves to the irreconcilable opposition, will figure in the list of candidates.

Given this, the 1996 presidential elections will be the last dangerous stretch of the way to democracy. If the orthodox-minded opposition wins, the country will be bogged in chaos and political reprisals, and possibly in a civil war.

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However, he expressed confidence that during the 1995 parliamentary elections, the Russian citizens will come to senses and vote for the most sober-minded politicians, not for the political scoundrels who have filled many of the state posts as a result of demagoguery and mendacious promises.

The democratic forces must do everything they can to become united in the face of the dangerous jingoistic tendencies and for resisting the generals, he said. Moreover, a bloc might be created involving, besides the democrats, a wide spectrum of political forces, centrists and even non-communist conservatives.

Speaking about possible competition between Yeltsin and other democratic candidates, Sobchak urged young politicians, such as Yavlinskiy, Gaydar and Shakhrai, to brush away political ambitions and use their influence to support the single candidate.

These young politicians are not quite ready to carry the burden of responsibility which the president must do.

He noted that he welcomed Gaydar's realistic position and plan to support Boris Yeltsin as the guarantor of democratic reform.

If the democrats emerge victorious from the 1995 parliamentary and the 1996 presidential elections, by the year 2000 the period of stabilization, which began after the adoption of the new constitution, will evolve into a period of prosperity when the world will start talking about the Russian economic miracle, he said.

Presidential Takeover Seen in Bashkortostan

MM0909095594 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 2

[Report by Dmitriy Grafov: "Purely Sovereign History. What Lies Behind the Resignation of the Prime Minister of Bashkiria"]

[Text] "...In order to prevent the exacerbation of the sociopolitical situation in the republic and to enable the cabinet of ministers to function normally, I deemed it necessary to give up my post, although I considered and still consider the mass media's accusatory campaign against me groundless, unsubstantiated, and premeditated...."

This is a quote from the statement by Anatoliy Yakovlevich Kopsov, former premier, deputy of the Republic of Bashkortostan, and deputy of the Russian Federation Federal Assembly Federation Council.

As is apparent from the statement, which was published in the republic press with great difficulty, and also from President M. Rakhimov's edict, which appeared in almost all the local newspapers, A. Kopsov is accused of "gross violations of the legislation of the Republic of Bashkortostan." Formally—of wanting to improve housing conditions for himself and for some of his colleagues in the cabinet of ministers and also of using

certain money to construct a dacha. As is customary, after the president's edict a commission was set up to verify the facts (these facts were "exposed" by a newspaper back in May).

A misgiving at once arose: What conclusions can the commission reach, if President Rakhimov has already "made an assessment" in the edict? In its decree the Bashkortostan Supreme Soviet Presidium "suggested that the president of the republic institute proceedings against guilty officials...." Those misgivings were confirmed.

"From the outset the task was set from above of finding compromising material and giving at least some support to the president's edict," Kopsov said. "The denunciatory television and newspaper reports in the local mass media constituted an organized and planned action. As for the apartment, its allocation to me was signed by the president himself, and even before the start of construction he knew about the dacha, which has been under construction for approximately a year. Driving past, I showed it to the president three times. But now Rakhimov claims not to have heard about it or seen it...."

One wonders why Kopsov resigned if all the accusations had been invented. The former premier replied: If I have stopped pleasing the president, I am simply prepared to go. I do not intend to cling to power. But if I have broken some law, let them press charges against me in the legitimate manner....

This step was naive, to say the least. The political situation in the republic has not been stabilized, and a second wave of persecution of unwelcome people has risen up beneath the flag of combating corruption.

On 28 July the Federation Council adopted a decree stating that Federation Council Deputy A.Ya. Kopsov had been released from his post in violation of Russian Federation legislation. Consent can be given to this if Rakhimov removes from his edict the wording "for gross violation of housing legislation..." and leaves as the sole grounds "in accordance with a statement tendered." Otherwise the Federation Council will not give its consent to Kopsov's release from his post.

"Slander and juggling with facts," Kopsov continued, "have not ceased and pursue the aim of discrediting me as a Federation Council deputy, as a people's deputy of Bashkortostan, and simply as a citizen. Significant forces of law-enforcement and control organs have been diverted to fulfill a political order—a thorough search for materials that defame me has begun."

The newspaper SOVetskaya Bashkiriya carries a full page of materials of the commission to verify the "legality" of the allocation of plots of land and the construction of expensive cottages in the "Poselok Zarechnyy" Horticultural Society. The commission tried to verify the legality. But the newspaper does not give an answer to the question of whether or not the law was

broken (presumably if a crime had been found, they would not have hidden it between the lines).

Having mobilized the tax police, R. Fayruzov, first deputy minister of internal affairs, leafed through the founding documents of the "Futura" Housing Construction Cooperative, where Kopsov's wife works. A version was drawn up which claims that she paid money into the construction cooperative's incorporation capital. But she is an ordinary employee, not a founder, although there is, nonetheless, a great temptation to prove the latter.

Another commission was appointed to seek violations of legality in the work of the "Bashkirenergo" Joint-Stock Company, where the ex-premier used to work. An attempt was made to prove that the leadership (i.e. Kopsov) had broken the law in privatizing "Bashkirenergo." But the essence of the conclusions which the verifiers reached is again striking for its absurd logic: The privatization, particularly the closed subscription to shares, was conducted according to the law and, it is said, formally (i.e. without violations). But it turns out that the leaders displayed personal immodesty by acquiring shares within the limits of their legal rights, i.e. very many. Precisely 146 small and big chiefs obtained 5 percent of the agreed shares in accordance with the first privatization option and acquired the rest in a closed subscription along with the other members of the labor collective.

There is no point in speaking of the ethics of the public checking of pockets. The Prosecutor's Office, investigative organs, or the court can gain access to such information, which constitutes a private commercial secret. But it is also possible to understand the verifiers: What can they report back, if no violations have been detected?

"This is hard to believe," P. Tarasov, "Bashkirenergo's" deputy director for economics, said, "but in an atmosphere of pressure and squeezing out of compromising material a situation is taking shape which is familiar from our history: denunciations and settling of scores, and people are starting to confess to things that did not happen. They agree to do what is wanted of them in the hope that they will be left alone. People are being 'pressured': Come on, blame the board of directors for everything, and let's change the old one—you will get onto the new one."

In just the same way many who had cottages built alongside the premier's have been told to give up the palaces built with the "people's" money and thereby merit forgiveness. Particularly massive pressure is being brought to bear on those who interceded for Kopsov. They are the leadership of "Energostroyremont" (Director I. Zakharov went in for questioning and was detained without being charged), of the Tatar Public Center, of the Ufa City Electricity Networks, and of Karmanovo State Regional Electric Power Station, the "Rus" Public Association, the newspaper OTECHESTVO, and the

newspaper EKONOMIKA I MY (the republic's "Soyuzpechat" has been instructed to cancel the contract with it to distribute it, and an attempt is being made to evict the editorial office from the premises belonging to it). Incidentally, because of an article on the situation in Bashkortostan published in TRUD 26 August, that issue, which was printed in an Ufa printing house, did not reach the newspaper stands and was not delivered to many subscribers.

In the course of an hour-long conversation with President Rakhimov, for all my endeavors, I failed to obtain a direct reply to the question of just what was going on. As soon as the conversation turned to Kopsov, his flowery reflections on Bashkortostan's life and destiny gave way to hostile irritation and escalated into oratorical ardor. The president spoke with anger and pain about permissiveness: "They get dividends, they get wages, they get everything!... This does not happen abroad.... When I worked as a plant director, I did not allow myself such a thing. But today everything is permitted, people make millions... and they have started showing off!"

"The present situation," Kopsov said, "obliges me to name not the formal reason but the true reason for my resignation. It is my fundamental disagreement with the cadre policy being implemented in the republic recently. Many administration heads and enterprise and organization leaders who had become unwelcome have been dismissed. There is one pretext—the fight against corruption. But the true reason is different. President Rakhimov crushes all independence and any viewpoint that differs from his own, and he regards independence as disloyalty, and disloyalty as covert opposition. The fight against corruption is meant to focus minds and make stray sheep return to the fold and the shepherd prove his loyalty by repenting."

The elections to Bashkortostan's new parliament are not far off, and it would not be out of place to rid potential people's elected representatives of democratic illusions and remind them in whose hands power resides.

"But the chief thing that the president is seeking," Kopsov continued, "is the monopolization of power. The Supreme Soviet and the cabinet of ministers are now headed by 'acting' heads, and parallel structures are being created in the president's apparatus which are beginning to assume functions which take over from other organs of power. The purpose is this: Either all organs of power apart from presidential power will be pure window dressing, or presidential rule will be established in the republic."

Republic newspapers are already carrying articles entitled "Put an End to the Misappropriation of Monetary Resources"—Rakhimov lambastes the National Bank, which fails to see how the leaders of commercial (!) banks grant credits "not in accordance with the main directions of Bashkortostan's monetary and credit policy." Following Rakhimov's intervention, the "Bashkirenergo"

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Joint-Stock Company, one of the few enterprises (and the only large one) to have succeeded in floating shares according to the pure "Chubays" option, began obeying officials and not the shareholders' meeting. After all this it is clear that Rakhimov's talk of the need for economic transformations and a switch to a market economy is the same old window dressing.

Tatarstan Vice-President Defends Abkhaz Treaty

*MK0809114094 Moscow SEGODNYA in Russian
8 Sep 94 p 3*

[Unattributed report in the "Provincial Chronicle" column]

[Text] Kazan—Republic Vice President Vasilii Likhachev has stated that Moscow's criticism of the Treaty of Friendship and Cooperation between Tataria and Abkhazia points to "the absence of a mechanism of coordinating foreign political and foreign economic actions between the federal center and the regions." He observed that the treaty between Russia and Tataria [Tatarstan] on dividing powers records Kazan's right to an independent foreign policy.

The Cabinet of Ministers has raised the prices for a number of foodstuffs, including bread, meat, and dairy products. Now a kilogram of beef costs 3,000 rubles. One liter of milk is 400-420 rubles, and bread 300-400 rubles. The price of vodka has not been changed.

Kaliningrad, Polish Regional Cooperation Efforts

*WS0809143794 Kaliningrad KALININGRADSKAYA
PRAVDA in Russian 13 Aug 94 p 2*

[Report by Ye. Bocharnikova: "Implementing Russian-Polish Agreements"]

[Text] KALININGRADSKAYA PRAVDA has already reported that Polish and Russian Government envoys for the issues of Kaliningrad Oblast's cooperation with the northeastern region of Poland, held their first meeting in Warsaw on 1 July. We would like to remind you that Oblast Administration Head Yuriy Matochkin was appointed as the Russian Government's envoy in 1993, while Kazimierz Korona, deputy minister of the Polish Council of Ministers [as published], was appointed in 1994 to represent the Polish Government.

Participants in the Warsaw meeting passed the Statute of the Russian-Polish Council for Cooperation Between Kaliningrad Oblast and Polish Regions, a resolution on the forming of which was adopted during the second Russian-Polish roundtable. It was also decided to set up 14 commissions for various issues—border checkpoints; transportation and navigation; environmental protection and the all-out use of Wisla Bay; the agriculture and food industries; banking, finance and insurance; commerce; communications; education, science, culture, sports, and tourism; the fight against crime; industry and the development of medium-sized and small businesses;

power engineering and the use of fuel and power resources; employment and worker migration; deploying production resources in border areas; and issues of territorial self-rule.

To implement the achieved agreements and continue the work conducted within the framework of Russian-Polish roundtables, Yuriy Matochkin has decided to form commissions and appoint Russian representatives to the Council for Cooperation Between Neighboring Territories. The commissions' composition should be ready by 1 September, and proposals regarding the development of regional cooperation should be drafted sometime after that.

Rutskoy's Visit to Kaliningrad Previewed

MK0809112094 Moscow KOMMERSANT-DAILY in Russian 8 Sep 94 p 3

[Report by Maria Bogdanova: "Kaliningrad Lures Russian Politicians. Aleksandr Rutskoy Will Be the Third One"]

[Excerpts] Following Yegor Gaydar, leader of "Russia's Choice," Aleksandr Rutskoy, former vice president and currently chairman of the "State" social-patriotic movement, is going to visit Kaliningrad Oblast. Earlier, Kaliningrad received Liberal Democratic Party of Russia [LDPR] leader Vladimir Zhirinovskiy. Thus, Kaliningrad is turning into a Mecca for Russian politicians.

So keen an interest by Russian politicians in a territory that elected Vladimir Shumeyko to the Federation Council appears to be attributable to its unique nature: on one hand, it is a "Russian Hong Kong" in terms of its geographical location; on the other, the oblast is home to a large number of servicemen: after the Baltic states became sovereign, the Russian Navy set up its key naval base in the Baltic Sea here.

It is not yet known what Aleksandr Rutskoy will promise Kaliningrad residents next week. But since the former vice president can be of little help to the local authorities, he is likely play on patriotic sentiments of the population, who are seriously afraid of "Germanization," and, in particular, he will assure them that Kaliningrad will never become Koenigsberg [the city's former, German, name]. In addition, Rutskoy is certain to urge people to join his "State" and to participate in the collection of signatures for early presidential elections, because two days ago Rutskoy openly backed this undertaking by the Russian Communist Party.

'Opposition' to Smolensk Administration Set Up

*MM0809133994 Moscow PRAVDA in Russian
8 Sep 94 p 2*

[Report by Viktor Artemenko: "'Smolenshchina' Throws Down Challenge"]

[Text] Smolensk—A new public association, "Smolenshchina," has been set up in this ancient Russian land.

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It was organized by leaders of the executive apparatus, enterprise directors, public figures, academics, and writers. They were prompted to take this step by the fact that, in their view, the oblast is by no means fully exploiting its possibilities for ensuring a normal standard of living for people.

Possessing definite experience and guided by a desire to be useful to their countrymen in these difficult times, the originators of the new movement decided to create an opposition to the existing oblast administration. The aim of the new association is to adopt urgent measures to stabilize the situation in the region and then to improve the socioeconomic situation. The association's organizers have called on honest, responsible, and professionally trained citizens of Smolensk to cooperate constructively in the interests of their native land.

Khakassia Grain Harvest 'Disastrous'

MM0809134394 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 1

[Report from ROSSIYSKAYA GAZETA/ITAR-TASS column under the "Yesterday, Today, Tomorrow" rubric: "Khakassia Is Alarmed"]

[Text] Just 2 percent of the grain crops have been harvested in Khakassia to date. Yakov Bodyagin, the

republic's deputy minister of agriculture, has called the present situation disastrous.

Work in the fields has practically stopped owing to the rain, which has not ceased for over a week, and the shortage of fuel and lubricants. The republic has been left with sufficient food grain for just over three months, and far less feed will be procured for public-sector livestock raising than is required.

Districts Declared Disaster Areas Following Drought

MK0809110094 Moscow SEGODNYA in Russian 8 Sep 94 p 3

[Unattributed report in the "Provincial Chronicle" column]

[Text] Novosibirsk—Seven rayons in the oblast have been declared disaster areas, and a state of emergency has been introduced there. The three-month drought has resulted in a loss of crops, which threatens serious food problems. A request will be forwarded to the Russian Federation Government and the Emergency Situations Ministry for financial assistance to be rendered to the affected areas.

International Affairs

Kuchma, U.S. Senators Discuss Agreements

LD0809173994 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 8 Sep 94

[Text] Ukraine's President Leonid Kuchma met a group of U.S. senators, led by Patrick Leahy, the head of the Standing Committee for Agriculture, Nutrition, and Forestry, today. At the meeting they discussed Ukrainian-U.S. relations, which are being further improved, and also issues of fulfilling bilateral agreements, in particular, the programs for economic aid to Ukraine and assistance in the field of nuclear disarmament.

Today we cannot be satisfied with the way these agreements are fulfilled on the part of the United States of America. We abide by the stand according to which every state should rely on itself, emphasized Leonid Kuchma. However, fulfilling its obligations concerning nuclear disarmament and shouldering additional difficulties connected with this, Ukraine should count on the obligatory nature of its partners.

On their part, the U.S. senators expressed their understanding of the problems facing Ukraine and a desire to speed up the provision of financial aid to it. This exactly is the objective of their arrival in Ukraine, Patrick Leahy emphasized. The United States is also studying the issue on granting Ukraine guarantees of its nuclear security, the senators also reported.

Moroz Pledges Accession To Nonproliferation Treaty

LD0809170894 Kiev UNIAN in Ukrainian 1435 GMT 8 Sep 94

[Text] Kiev [no dateline as received]—Supreme Council Chairman Oleksandr Moroz will visit the United States tentatively on 10 October 1994, he told a meeting with American congressmen, led by Senator Patrick Leahy, chairman of the Agriculture, Nutrition, and Forestry Congressional Committee, today.

Assessing how realistic it was for Ukraine's Supreme Council to ratify the Nuclear Nonproliferation Treaty [NPT], Oleksandr Moroz said that, in his opinion, the treaty will be ratified. However, "it should be improved since it is no secret that some countries acted in breach of it." The Supreme Council chairman underlined that the specific conditions under which Ukraine was to accede to the NPT should also be taken into consideration. "It cannot do this instantly for purely technical and economic reasons," he added. "In principle, I am in favor of ratification and even it being sped up. I am also in favor of the UN General Assembly session raising the issue of engaging the largest possible number of countries in nuclear disarmament. We handed to the United Nations our proposals on this, and also on the need to take account of the specific conditions Ukraine is in," said Oleksandr Moroz.

The Supreme Council chairman also emphasized the pressing necessity to form a Ukrainian-American inter-parliamentary commission to supervise the provision of U.S. financial assistance to Ukraine, as "many in Ukraine interpret the use of this assistance very liberally." This, in his words, does not at all mean that all assistance should only go through state channels.

Oleksandr Moroz said he feared that without this commission "the achievements of our cooperation will be made use of by those in possession of American capital." He said he would like this commission to be formed and officially registered prior to his visit to the United States. The Supreme Council chairman added that Ukraine was not asking for help but proposing cooperation which will also be beneficial to America.

Patrick Leahy replied that the process of assistance had slowed down primarily because Ukraine and America were building a totally new relationship, adding that the provision of assistance will be stepped up once privatization in Ukraine accelerates.

NSC Secretary on Nuclear-Free Policy

LD0809212994 Moscow ITAR-TASS World Service in Russian 1536 GMT 8 Sep 94

[By ITAR-TASS correspondents Viktor Demidenko, Mikhail Melnik]

[Text] Kiev, 8 Sep—"It seems to me that Ukraine should have a positive attitude toward the Nuclear Nonproliferation Treaty. The treaty's signing by Ukraine and its ratification by the Supreme Council will enhance Ukraine's image as a power that seeks peace in the whole world." This is what Volodymyr Horbulin, the secretary of the National Security Council under the Ukrainian president, said in an exclusive interview with the ITAR-TASS correspondents. On problems connected with the removal of nuclear warheads carried by strategic missiles, he noted that Ukraine was keeping to all deadlines and doing everything to ensure that the deadlines set were kept to in full. Moreover, Volodymyr Horbulin said, we are now to a certain extent even running ahead of the set deadlines. It is just unfortunate that Ukraine is doing this practically unilaterally and without receiving sufficient economic aid, primarily from the United States. This aid does not correspond at all in percentage terms to the plans that were drawn up.

Volodymyr Horbulin was certain that the situation would change. He reported that this very topic had come up at a meeting today between Ukrainian President Leonid Kuchma and a group of U.S. senators. It was confirmed at the meeting that the United States would speed up and, most importantly, be more assiduous and disciplined in keeping its promises.

Volodymyr Horbulin also reported that during his conversation with the senators, which took place behind closed doors, Leonid Kuchma had emphasized the stability and continuity of Ukraine's foreign policy. The

president confirmed once again that Ukraine will follow a nuclear-free policy. He also stated certain complaints to the U.S. side regarding fulfillment of the obligations that the United States had taken upon itself. The wish was also expressed that the United States, together with other countries, in particular Russia and France, undertake to give Ukraine guarantees of its national security.

PRC Supports Ukraine Non-Nuclear Status

LD0809192594 Kiev Radio Ukraine World Service in Ukrainian 1800 GMT 8 Sep 94

[Text] China sets great store by Ukraine's decision to become a non-nuclear state and the active steps it is taking in this direction. This was a statement by Qian Qichen, PRC State Council vice premier and foreign affairs minister, in a meeting with journalists. He underlined that China understood Ukraine's concerns about its security and its demands of security guarantees. Qian Qichen added that China respected our state's independence, sovereignty, and territorial integrity.

Ukraine, he said, is pursuing independent foreign policies. Friendly cooperation between China and Ukraine and coordination of joint actions in international affairs by both sides correspond with our states' fundamental interests and will help secure peace in this region.

Udovenko, PRC's Qian Qichen Hold News Conference

LD0809183994 Kiev UNIA in Ukrainian 1545 GMT 8 Sep 94

[Text] Kiev, 8 Sep—To conclude the first official visit to Ukraine by a government delegation from the People's Republic of China, Qian Qichen, China's state council vice premier and foreign affairs minister, and Hennadiy Udovenko, Ukraine's acting foreign affairs minister, held a joint news conference.

The Chinese minister emphasized the significance of extending multifaceted cooperation with Ukraine, as an important European state in possession of rich natural reserves and a powerful scientific and technological potential. This visit, he said, will encourage transition in mutual relations between our countries to future partnership into the 21st century.

While members of the Chinese delegation unanimously denied any discussions in the course of this visit on the subject of military and technical cooperation, saying the issue was merely raised, Mr. Udovenko answered the question in the affirmative saying Ukrainian and Chinese delegations were at this moment holding negotiations on the subject in Beijing. At their meeting, the heads of state, in Mr. Udovenko's words, could not but consider cooperation in the aerospace industry, although no relevant documents were signed. It is noteworthy that, while on a visit to Moscow, the Chinese delegation visited the space flight control center and joint activity by Russia and China in this field is intensifying.

Participants in the news conference pointed out that the two countries' economies were interconnected. Trade turnover between Ukraine and China last year came to \$600 million, while the results of the corresponding period of 1994 show it is up by over 77 percent.

Qian Qichen once again voiced approval of Ukraine's official non-recognition of Taiwan, although he added the Chinese Government had no objections against the development of unofficial trade and economic relations between Taiwan and Ukraine.

Chinese Leader Departs Kiev for Paris

LD0809164894 Moscow ITAR-TASS in English 1506 GMT 8 Sep 94

[By ITAR-TASS and UKRINFORM correspondents]

[Text] Kiev September 8 TASS—China's Chairman Jiang Zemin wound up on Thursday his three-day official visit to Ukraine and left for Paris.

During his visit to Kiev, the Chinese leader met Ukrainian President Leonid Kuchma, Parliament Chairman Oleksandr Moroz and Prime Minister Vitaliy Masol.

Five joint documents were signed, including a joint Chinese-Ukrainian declaration.

When in Kiev, Zemin also visited the Paton Electric Welding institute, took a motor-ship trip along the Dnieper River, met the republic's mass media workers and answered their questions.

Kiev Ceases Delivering Arms To Rwanda

LD0809204994 Moscow ITAR-TASS in English 2020 GMT 8 Sep 94

[By UKRINFORM-TASS]

[Text] Kiev September 9 TASS—In compliance with the U.N. Security Council decision to impose an embargo on arms and military equipment supplies to Rwanda, Ukraine has stopped delivering arms to that country.

UKRINFORM learned today that the Ukrainian Cabinet of Ministers has ordered central and local state executive authorities, enterprises, amalgamations, organizations and establishments, irrespective of their form of ownership, to take necessary measures to end sale or delivery of arms and military equipment of all sorts to Rwanda.

This concerns means of combat and military-transport, ammunition, military equipment, outfit for militarized police and spare parts. Information regarding this must be furnished on demand of the Ukrainian Defence Ministry.

Navy Commander Optimistic About Fleet Talks

LD0809182194 Kiev UNIAN in Ukrainian 0845 GMT 8 Sep 94

[Text] Sevastopol—Another round of Black Sea Fleet talks between Ukraine and Russia, to be held in Kiev

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next week, must conclude with signing many specific agreements on a number of issues. This was a statement made by Ukrainian Navy Commander Vice Admiral Volodymyr Bezkorovaynyy in an interview with UNIAN. He believes the forthcoming meeting should encourage a convergence between the two countries' positions on the Black Sea Fleet, remove artificial stumbling blocks, and simplify the process of further searching for mutually beneficial decisions on all contentious questions.

The process of negotiations, in Volodymyr Bezkorovaynyy's words, could be made considerably simpler had the Black Sea Fleet command provided the delegations with all of the fleet's accountancy documentation.

Yevhen Marchuk, deputy prime minister for national security issues, is to lead the Ukrainian side at the negotiations.

Kiev To Ask Moscow for Debt Postponement

LD0809180094 Moscow ITAR-TASS in English 1407 GMT 8 Sep 94

[By ITAR-TASS correspondent Mikhail Melnik and UKRINFORM correspondent Raisa Stetsyura]

[Text] Kiev September 8 TASS—Ukraine intends to ask Russia to postpone its payments on state credits. Ukraine's debt to the Russian Federation amounts to 2.7 billion U.S. dollars but there is no money in the State Treasury now, Oleksey Berezhnuy, head of the Foreign Debt Department of the Finance Ministry of Ukraine, told ITAR-TASS.

Last year Ukraine concluded two credit agreements with Russia one of which comes to 2.5 billion U.S. dollars. This debt arose as a result of crediting corresponding accounts of the National Bank of Ukraine by the Russian side. 40 percent of this sum constitutes indebtedness of Ukrainian legal persons to Russian suppliers, and the Ukrainian Government had to assume its repayment. The second state credit was given in the sum of 204 million U.S. dollars which was used to pay for energy resources in the second half of 1993.

Ukraine has also debts to other Commonwealth countries: 671 million U.S. dollars to Turkmenia [Turkmenistan], 28 million U.S. dollars to Moldavia [Moldova] and 1,300,000 U.S. dollars to Kazakhstan.

As for the debt of those countries to Ukraine, it is not a state and direct debt as there are no agreements with these countries on rendering credits to them that is it is a matter of indebtedness on mutual payments of enterprises.

Talking about terms of repayment of state credits, Oleksey Berezhnuy said specific dates were stipulated in agreements with each of the Commonwealth countries: with Russia—from 3 to 5 years, with Moldavia—3 years, with Turkmenia—2 years and Kazakhstan—1 year. A

rate of interest specified in these agreements corresponds to an interest rate of the International London Market.

Official on Russian Gas Supplies

LD0809192294 Moscow INTERFAX in English 1411 GMT 8 Sep 94

[Text] Ukraine could transfer a maximum of 30% of the amount it was supposed to pay to Russia in August, Ukrainian State Oil and Gas Committee's First Deputy Chairman Yevgeniy Sukhin told Interfax-Ukraine.

He explained that the Ukrainian consumers owed the Committee nearly 15 trillion karbovantsi since the beginning of the year.

Sukhin described the pipeline which supplies Russian gas to Mariupol and where Russia had halved the amount of gas as Ukraine's sore point.

He expected Russia to apply sanctions in that area again because if it cut supplies along the pipelines which connect Russia to Western consumers might hurt the Russian exports.

Now Ukraine owes Russia nearly \$1.2 billion.

Under a protocol signed in Kiev by Ukrainian Deputy Prime Minister Anatoliy Dyuba and Gazprom company president Rem Vyakhirev, Ukraine has to pay nearly \$340 million in August-October, of which \$100 million in August.

Nearly 600 million cubic meters of gas, of which about 240 million for West European countries, reach Ukraine daily.

Sukhin emphasized that import of Russian and Turkmenian gas was the best possible deal for Ukraine because Ukraine purchased it at \$50 per 1000 cubic meters while the price on the world market averaged over \$70.

World Bank Officials Assess Economic Program

LD0809202594 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 8 Sep 94

[Text] On 8 September, Ukraine's President Leonid Kuchma met Basil Kavalsky, director of the World Bank's European branch, and Daniel Kaufmann, the World Bank representative in Ukraine.

Both sides positively assessed the joint work of our economic structures with international financial bodies on the program for reforming Ukraine's economy. This work is nearing completion, and the program is to become a basis for real cooperation of the International Monetary Fund and the World Bank with our state. As pointed out at the meeting, by the end of the current year the consultative process in this connection should be completed, so Ukraine can finally receive specific aid from international financial circles.

Birth Rate Reported To Cairo Conference*LD0809203794 Kiev Radio Ukraine World Service in Ukrainian 1800 GMT 8 Sep 94*

[Text] Ukraine's Deputy Prime Minister Ivan Kuras, who heads Ukraine's delegation at an international conference on issues of population and development, delivered a speech at this world forum today. Setting out Ukraine's stance as far as general issues on the agenda are concerned, Ivan Kuras described the demographic, ecological and economic situation in Ukraine. The specific nature of the demographic situation in Ukraine lies primarily in the fact that the worsening of the indices of the population's reproduction is aggravated by the economic crisis and negative after effects of the Chernobyl catastrophe, which distorted the demographic behavior of the people of Ukraine, Ivan Kuras said.

It was pointed out with anxiety that the birth rate in Ukraine in 1993 was the lowest in its entire history. As a result, the replacement of the previous generation by the next one ensures the birth rate by 79 percent only.

Ivan Kuras appealed to the United Nations Organization to take into account the specific features of every region and separate countries while allocating money within the framework of the UN fund for the population. By saying this, Ivan Kuras had in mind the specific nature of the situation in Ukraine.

The report by the leader of the Ukrainian delegation was broadcast over the first channel of the Egyptian television.

Greenpeace Hits Government on Aid to Chernobyl Victims*LD0809135594 Kiev UNIAK in Ukrainian 1100 GMT 8 Sep 94*

[Text] Kiev, 8 Sep—"Stopping the vital assistance to those who suffered from the Chernobyl AES [nuclear electric power station] accident is inhumane and economically inexpedient," a statement says, made by the Ukrainian branch of the international ecological organization Greenpeace, in connection with a revision by the Ukrainian Government of a list of populated localities categorized as Chernobyl-related radioactive contamination zones. Under Cabinet of Ministers resolution 600 dated 29 August 1994—"on changes and amendments to the Cabinet of Ministers resolution of 23 July 1991, establishing a procedure for the Ukrainian SSR's laws 'On the Legal Status of the Area of Radioactive Contamination after the Chernobyl Catastrophe,' and 'On the Status and Social Security of Citizens who Suffered from the Chernobyl Disaster' to be brought into effect"—according to Greenpeace this list has been reduced by 638 positions, as a result of which 800,000 people have been denied state assistance. After this reduction, the statement continues, the Chernobyl Fund will "save" 3.2 trillion karbovantsi, which represents 20 percent of its budgetary appropriations for 1994.

Greenpeace demands that the Government pass a law regulating the nuclear industry, and develop a concept of protection against radiation, which would provide firm guarantees of social security, rather than temporary privileges.

National Affairs**Kuchma Heads for Crimea To Resolve 'Crisis'***LD0809184794 Moscow INTERFAX in English 1631 GMT 8 Sep 94*

[Text] On Thursday evening Ukrainian President Leonid Kuchma is to fly to Crimea accompanied by Ukraine's Interior Minister, Crimea's State Affairs Minister Viktor Minin told the agency Interfax-Ukraine.

In his words, Kuchma plans to meet with Crimean President Yuriy Meshkov in the evening of September 9 "to find a way to surmount the Crimean crisis."

At present Minin is in Kiev working in a special commission of President Meshkov, in the wake of a Crimean parliament decision to limit powers of the autonomy's president.

The Crimean parliament has introduced amendments to the decree on the president which stipulate that the president is the head of the executive power and has no powers as head of state.

In Minin's words, "President Kuchma has given his backing to Meshkov's position and asked speaker of the Ukrainian parliament Alexander Moroz to intervene and to put the breaks on Crimea's Supreme Soviet and its chairman Sergey Tsekov."

On September 8 in Kiev, Minin met with Ukrainian President Leonid Kuchma, head of the presidential administration Dmitriy Tabachnik, secretary of the presidential National Security Council Vladimir Gorbunin, Interior Minister Vladimir Radchenko, and leadership of the republic's Security service.

Minin calls the events which have occurred in the Crimean parliament "a coup, and attempt to dismiss the Crimean president from real power."

As he said, "until the very end Meshkov tried to avoid a conflict and confrontation, however, speaker of the Crimean parliament Tsekov repeats the example of Ruslan Khasbulatov."

Minin believes that "seizure of power, its transfer to the Supreme Soviet in unison with the coming to power of 'a pocket government' for controlling privatization and appointing leaders of cities and regions, are the major aims of the coup."

Under the decision of the parliament, the president was deprived of the right to appoint leaders to the regions.

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Minin does not rule out that under the present situation "Meshkov will be forced to disband Crimea's Supreme Soviet in order to maintain order."

Meets Meshkov 'Behind Closed Doors'

LD0909122994 Moscow ITAR-TASS in English 1201 GMT 9 Sep 94

[By UKRINFORM correspondent Lev Ryabchikov for TASS]

[Text] Kiev September 9 TASS—Ukrainian President Leonid Kuchma had a meeting with Yuriy Meshkov in the Crimea today. It was held behind closed doors, head of the press centre of the Crimean president Vyacheslav Lebedev told ITAR-TASS.

The Ukrainian president is staying in the Crimea on holiday.

President's Press Secretary on Crimean Situation

LD0809171094 Moscow ITAR-TASS World Service in Russian 1516 GMT 8 Sep 94

[Text] Kiev, 8 Sep (UKRINFORM—TASS)—Today a statement by the press secretary of the Ukrainian president was carried by the mass media. It says:

"The president of Ukraine is attentively keeping track of the development of events in Crimea. The tension that is growing in relations between the Supreme Soviet and the president, and the government of Crimea is evoking concern and alarm. Understanding the objective reasons for the complication of mutual relations between the executive and legislative bodies of the autonomy, including the fact that the current legislation is in need of improvement, the president expresses regret regarding the unjustified exacerbation of the above mentioned contradictions.

Without doubt, political confrontation in Crimea has very little in common with the genuine interests of its population, which is worried about the problems of water, food, and heat supplies, first and foremost.

The ever deepening crisis of power in this autonomy is only complicating the solution of these vitally important issues.

The president of Ukraine sincerely hopes that the president of Crimea, the deputies of the republic's Supreme Soviet, the members of the government have sufficient wisdom and political will to refrain from unlawful ways of resolving the contradictions, to rise above political intrigues and tackle practical matters together.

The politicians, the population of Crimea should thereby be sure that the president of Ukraine will not allow the confrontation to turn into violent conflicts or to take on any other forms which are life-threatening and dangerous for citizens, which are in violation of the constitutional order in Ukraine."

Crimean Deputies Deny Meshkov Power To Form Court

LD0909015494 Kiev UNIAR in Ukrainian 2150 GMT 8 Sep 94

[Text] Simferopol, 8 September—At a plenary session on the second day of the Crimean Supreme Council session the deputies approved the law of the Republic of Crimea "On the Constitutional Court of the Republic of Crimea" on the second reading. In compliance with this law, the Constitutional Court is the highest judicial body to consider issues of constitutional law. It is formed by the Supreme Council of Crimea. The president of the autonomy, the Supreme Council, and the Supreme Court of Crimea each nominate three candidates to the Supreme Court [as received]. In addition to this law, the deputies approved the law "On Introducing Amendments and Additions Into the Constitution of the Republic of Crimea," according to which the president of the autonomy is stripped of the power to submit proposals on the entire composition of the Constitutional Court and the appointment of the chairman of the Constitutional Court. In addition, the president is stripped of the power to appoint the procurator of the Republic of Crimea.

The deputies approved the law "On Introducing Amendments and Additions Into the Law of the Republic of Crimea On the president of Crimea" on the second reading. According to this law, the president is no longer head of state but only head of the executive power in the autonomy.

The item on granting the Constitutional Court the right to consider the possibility of the further exercise by the president of Crimea of his powers as head of the executive power and head of state, in that chapter of Crimea's Constitution which deals with the judicial power, remained unchanged.

The deputies approved on the first reading the resolution of the Supreme Council of Crimea on backing the decision by the Sevastopol city council on Sevastopol's Russian federal status.

Meshkov: Parliament Decision 'Coup d'Etat'

LD0809194994 Moscow ITAR-TASS World Service in Russian 1824 GMT 8 Sep 94

[Text] Moscow, 8 Sep (ITAR-TASS)—Crimean President Yuriy Meshkov has described the decision of the parliament of the Crimean Republic to strip the president of some of his powers as a coup d'etat. "It is a coup d'etat of the first water, since the president is deprived of his status as head of state. It cannot be interpreted in any other way," he declared in an address to the people on local TV.

The Crimean president's statement was quoted today in the evening news bulletin by the Independent TV Company (NTV).

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Deputy Premier Foresees Parliament's Defeat*LD0809193494 Kiev UNIAN in Ukrainian 1435 GMT
8 Sep 94*

[Text] Simferopol [no dateline as received]—Interviewed by UNIAN today, Crimean Deputy Prime Minister Yevgeniy Saburov said that the statements on the need to form a coalition government in Crimea, that lately preoccupied the press, originated personally from Parliament Speaker Serhiy Tsekov and a small group of deputies, while the main body, the Supreme Council, in the opinion of Government Head Mr. Saburov, did not share that view. Yuriy Meshkov, in the deputy prime minister's words, unequivocally stated that there will not be any change in the government, the more so since, under the Crimean Constitution, the formation of the government is the exclusive prerogative of the Republic of Crimea's president.

Asked by a UNIAN correspondent about the possibility of further developing mutual relations between the peninsula's legislative and executive power, the deputy prime minister said that in the course of his activity he had repeatedly witnessed confrontation between the parliament and the president and "in none of our newly independent states did the parliament ever win this struggle."

Political Group Supports Constitutional Change*LD0809144494 Kiev UNIAN in Ukrainian 1325 GMT
8 Sep 94*

[Text] Simferopol—From today Crimea's President Yuriy Meshkov cannot directly appeal to the Crimean people through a referendum bypassing the Supreme Council of the autonomous republic. This was stated in an interview with a UNIAN correspondent by Serhiy Kunitsyn [name as received], leader of the Union in Support of the Republic of Crimea, who was commenting on the growing confrontation on the peninsula between President Yuriy Meshkov and Crimea's Supreme Council.

Yesterday the Crimean parliament brought the law "On the president of the Republic of Crimea" into line with Crimea's 6 May 1992 Constitution which states that the right to hold a referendum is vested in the parliament. At the time, the law was signed "to suit Mykola Bahrov" (former chairman of the Supreme Council who lost the presidential campaign on the peninsula) with the plenary powers of a dictator and the absolute power of a president which Meshkov himself opposed, Serhiy Kunitsyn noted.

In the view of the Union in Support of the Republic of Crimea, the majority in the Supreme Council supports the creation of a parliamentary republic but, because it would be problematic to do this at present, there are proposals to make the president the head of the republic "with the powers of the British queen", to introduce the

post of prime minister and give him the authority of head of the executive power and to form a coalition government.

The Union in Support of the Republic of Crimea is insisting on the resignation of the ineffective government of Yevgeniy Saburov. In the words of Serhiy Kunitsyn, this issue was discussed at a meeting between leaders of 16 Crimean political parties and the speaker, Serhiy Tsekov. It can be expected that candidates from the Communist Party and the Party for the Economic Revival of Crimea will be nominated for the post of prime minister and deputy prime minister.

Parliament Speaker on Government 'Inactivity'*LD0809214594 Kiev UNIAN in Ukrainian 1730 GMT
8 Sep 94*

[Text] Simferopol—In an exclusive interview with UNIAN on 8 September, Serhiy Tsekov, chairman of the Crimean Supreme Council, pointed out that the introduction of amendments and additions into the law of the Republic of Crimea "On the President of the Republic of Crimea" will lead to complications in relations between the parliament and the president of Crimea. "But we did this in compliance with the legislation of Crimea," pointed out Serhiy Tsekov. "And I think that a reasonable solution will be found: the show of muscles on both sides will come to an end."

Serhiy Tsekov remarked that personally he is in favor of a parliamentary Republic of Crimea, because the election of the president in the present circumstances is a "mere casting of lots." In his opinion, the electors will vote for the candidate taking into account his eloquence rather than human qualities.

The chairman of the Supreme Council of Crimea gives a "not positive" assessment of the Saburov government's activities, because over the four months of the Supreme Council's work the government, which has the right of a legislative initiative, has submitted virtually nothing for the consideration of the parliament, except for the privatization program. According to Serhiy Tsekov, he simply fails to understand certain actions by the government, in particular, its failure to appear by invitation at the parliament's plenary sittings. However, the Crimean parliament speaker believes that it is not only Saburov to blame for the government's inactivity, because this depended to a great extent on the president's stance and activity.

Simferopol Rally Denounces Government, President*AU0909080894 Kiev HOLOS UKRAYINY in Ukrainian
7 Sep 94 p 1*

[Unattributed report: "Not Satisfied With Power?"]

[Text] Yesterday evening, a large all-Crimean rally was held in Simferopol. It was organized by leaders of

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numerous political parties and movements and by deputies of the Crimean Supreme Council. The invitation from the organizing committee read as follows: "All those who follow, with pain, the political situation in the Republic and all those who are disappointed in the actions of the Crimean Government are invited to a rally."

On the eve of the event, speaker of the Crimean legislature Sergey Tsekov held a news conference in which he tried to avoid categorical assessments of the confrontation between the legislative and executive powers. S. Tsekov said that he is on normal terms with the president, but "he just cannot speak about any significant positive results of the president's trips abroad."

Concerning information published by the mass media about Yu. Meshkov's edict suspending the activity of the Crimean Supreme Council, an edict allegedly prepared but the existence of which has been denied by the presidential press service, S. Tsekov said: "The Supreme Council received information on the preparation of such an edict from different sources over the last two weeks. We were preparing for it. Even if the edict had been adopted, there is absolutely no chance for its implementation."

Sergey Tsekov gave a sharply negative assessment of the recent incident involving Yuriy Meshkov and Crimean Supreme Council Deputy Sergey Kondratyevskiy, when the president slapped the deputy on the face in the presence of the speaker.

Rally Demands Coalition Government

MM0808115394 Moscow IZVESTIYA in Russian
8 Sep 94 p 2

[Report by Nikolay Semena: "Crimean Parties Demand Formation of Coalition Government"]

[Text] Simferopol—The Crimea has been swept by a wave of political passions. There has been a meeting in the Supreme Council between parliamentary chairman S. Tsekov and leaders of 10 political parties which have negatively assessed the sociopolitical and economic situation in the republic. A number of them demanded the Meshkov-Saburov government's resignation. The same demand was made at a big republic rally held in Simferopol.

The meeting of political parties was held on the speaker's initiative, but by his own tardy admission it did not end as expected in the signing of a joint declaration. During the discussion an action group was set up to form a public coordinating council of political forces under the Supreme Council, and the political parties' lack of confidence in the ruling "Russia" bloc was evident.

"These events," L. Grach, leader of the Communist Party of Crimea, said, "are merely the precursor to a big storm which could break out in the Crimea unless the government's socioeconomic policy is changed."

Journalists were told by S. Kunitsyn, leader of the SPRK [expansion unknown], and S. Shuvaynikov, leader of the Russian Party, who [Shuvaynikov] formed a shadow Crimean Cabinet of Ministers over a year ago, that the current movement must culminate not only in the resignation of the current government but also in the formation of a genuine coalition government, which would have as its members not only Republican representatives, as is currently the case in the Supreme Council leadership, but also representatives of all other political forces.

The republic rally in Simferopol's central square culminated in the same demand. The speakers there accused current ministers of having evil intent in carrying out privatization, of doing nothing to increase working people's living standard, and of abuses and extravagance. The rally demanded the restoration of people's control organs.

On the whole, commentators assess this day in the Crimea on the eve of the new round of Supreme Council sessions as an attempt by oppositionist forces to unite, which was unsuccessful because no active part in it was taken by the Communist Party and the Crimean-Tatar People's Assembly, which are now the largest and best organized opposition in the Crimea.

Saburov on Wrangling Between Parliament, Meshkov

MK0909122094 Moscow OBSHCAYA GAZETA in Russian No. 36/61, 9-15 Sep 94 (Signed to press 8 Sep) p 1

[Report by Andrey Lipskiy on telephone interview with Crimean Deputy Prime Minister Yevgeniy Saburov under the "Crimea on the Line" rubric: "The Autumn of a President. Political Passion as Means To Fight Parliament"]

[Text] The Crimean Supreme Soviet has curtailed President Yuriy Meshkov's authority. OBSHCAYA GAZETA observer Andrey Lipskiy called Crimean Deputy Prime Minister Yevgeniy Saburov on the phone yesterday and asked him to comment on the situation.

"Soviet power is an immense destructive power capable of breaking up any state. As Berdyayev [Russian philosopher] once justly noted, the intellect of one person is always higher than that of a collective, and the morality of an individual is higher than that of a crowd. Marginal players, having finally grabbed power, are trying to make it absolute. Partly we have already seen that in Russia on the pattern of the Congress of People's Deputies. The situation is repeating itself in Crimea down to the last detail. However, I have never seen such battles ending in the parliament's favor. One should bear in mind that the Crimean parliament, unlike the Russian one, has a great share of deputies who support President Meshkov. They do not have a majority, but they have enough votes to block any decision. On 7 September one was getting the impression that the Supreme Soviet was gaining the

upper hand. First, the deputies are very noisy, and second, being in control of the press and television, they have imposed an information blockade, denying the president television air time for several days. But even at this stage it is clear that all that has produced nothing. Internal bickering has started among deputies that goes "Do you respect me?"

"I should note that the parliamentary decision on curtailment of presidential authority does not have any meaningful content and will not entail any consequences. Many people are asking me whether Meshkov would sacrifice the government to make peace with the parliament. My answer is: This is not his objective. He wants to be a real president, this is why such a deal is out of the question. Meshkov is ready for a confrontation with the Supreme Soviet. The thing is not even that he has forces to rely upon. The crux is that he has a politician's passion. The post-Soviet period has shown that sometimes this can be fully sufficient."

Crimean Parliament Backs Sevastopol Russian Status

LD0809185194 Moscow ITAR-TASS in English 1742 GMT 8 Sep 94

[By UKRINFORM correspondent Lev Ryabchikov for TASS]

[Text] Simferopol September 8 TASS—The local parliament of Ukraine's Crimean peninsula voted on Thursday to back the decision of the Sevastopol City Council of August 23, 1994, demanding a Russian status for Sevastopol, the Black Sea Fleet's main naval base.

Lawmakers decided to address Russia's and Ukraine's supreme authorities about the status of Sevastopol and the Crimea on the whole. The texts of the resolution and the address are expected to be adopted in the final wording next week.

The Crimean parliament also passed a law on the Crimea's Constitutional Court. The law is similar to its Russian analogue with the only difference that nominations for constitutional judges will be made here by all the three branches of government—Crimea's parliament, president and Supreme Court. The main goal of the Constitutional Court is to enforce constitutional legality and supremacy of the republic's Constitution.

Kiev Deems Resolution Invalid

LD0909105194 Kiev Radio Ukraine World Service in Ukrainian 1000 GMT 9 Sep 94

[Text] Mykhaylo Doroshenko, press secretary for the president of Ukraine, today told the Novyny television and radio agency that the Crimean parliament's decision, backing the move by the City of Sevastopol Council to recognize the status of the city as Russian, has no legal force, while any issues of changes to the territory of

Ukraine may only be settled at state level with the participation of all Ukrainian people.

Commenting on the Crimean Parliament's resolution passed yesterday on its first reading, Mykhaylo Doroshenko added that a comprehensive reply to this decision will be made once it has been assessed.

Rovno, Zaporozhye AES Accidents Pose No Threat

LD0809222794 Kiev UNIAN in Ukrainian 1845 GMT 8 Sep 94

[Text] Rovno [no dateline as received]—At 2255 on 7 September one of the turbines was put out of operation as a result of a leak of hydrogen from the generator casing. During a repair work a leak passage was detected in a washer which was replaced immediately.

To a question from a UNIAN correspondent on whether there was any increase in the background radiation levels, Volodymyr Korovkin, director of the Rovno AES [nuclear electric power station], replied that "there were no deviations whatsoever from the norm, the radiation situation around the station is normal. At 0720 the disconnected turbine of the second circuit began functioning in the required mode."

Zaporozhye. At 0700 a fault was detected in the steam generator blow-through pipeline of the second circuit (not the reactor circuit). Because of the steam that filled the room and impossibility of carrying out repair work at the operating unit, the reactor was put out of operation after three hours and the cooling of the equipment got under way. The Zaporozhye AES submitted an application for carrying out repair work on 14 September.

According to the specialists of DerzhKomAtom [State Committee for the Use of Nuclear Power], both accidents belong to the zero level of the international scale of accidents at nuclear power stations, in other words, they do not pose either a nuclear or radiation threat to the population and the personnel.

Kuchma Appoints New Vice Prime Minister

LD0809211094 Moscow ITAR-TASS World Service in Russian 1955 GMT 8 Sep 94

[Text] Kiev, 8 Sep (UKRINFORM-TASS)—By an edict of the Ukrainian president, Igor Mityukov has been appointed vice prime minister of Ukraine in charge of finance and banking.

I. Mityukov was born in Kiev in 1952. He is a Ukrainian. He received higher education at the "T.G. Shevchenko" state university in Kiev. He specialized as a mathematician working in the sphere of economics. He has an academic degree of candidate of economic sciences. Recently he was deputy chairman of the Board of Ukraine's National Bank.

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External Economy Minister Appointed

AU0909080794 Kiev HOLOS UKRAYINY in Ukrainian
7 Sep 94 p 2

[Edict signed by Ukrainian President L. Kuchma in Kiev dated 6 Sep 1994: "Ukrainian Presidential Edict on Appointing A. Honcharuk as Ukraine's Deputy Minister of External Economic Relations"]

[Text] To appoint Honcharuk, Andriy Ivanovych as Ukraine's deputy minister of external economic relations.

[Signed] Ukrainian President L. Kuchma
[Dated] Kiev, 6 September 1994

Masol: No Need for Grain Purchases, Price Hike

MM0909090994 Moscow IZVESTIYA in Russian
7 Sep 94 p 1

[AEN report: "Ukrainian Premier Promises Government Will Not Raise Grain Prices"]

[Text] Ukrainian Prime Minister Vitaliy Masol does not see any reason for additional grain purchases this year, and the government, he says, will not raise grain prices this year.

"Some 80 percent of the harvest has now been brought in, and we now have enough grain for 10 months," he told journalists during a visit to a bakery under construction in Kiev. At the same time, V. Masol noted the likelihood of a small increase in the price of bread, which would be due to a possible rise in the price of fuel or abuses in the trade sphere.

Gazprom Cuts Gas Supply to Mariupol

LD0909112394 Kiev UNIAN in Ukrainian 1730 GMT
8 Sep 94

[Text] Kiev—A UNIAN correspondent was told at Ukhazprom on 8 September that, since 5 September, Russia's Gazprom joint stock company has cut the supply of gas to Mariupol by 70 percent, and it is expected that there will be further reductions in gas deliveries to that area. This step is a consequence of Ukrainian gas consumers' debts to the Russian company. Under the latest accord, in particular, the Ukrainian side should have transferred to Gazprom in August \$100 million, of which a total of no more than 12 [as received] was actually paid.

Mykhaylo Pozhyvanov, people's deputy of Ukraine and chairman of the Mariupol Town Council, told UNIAN on 8 September that the supply of gas to the Azovstal and Illich metallurgical combines has stopped altogether, and that domestic supplies to consumers has decreased. Mykhaylo Pozhyvanov said that the sudden halt in the supply of gas to the metallurgical enterprises could have caused accidents so serious as to lead to an explosion in blast furnaces.

The Mariupol mayor believes that, while the town's steelworks fully paid for gas in August and made an advance payment for gas deliveries in September, they have groundlessly been made responsible for the debts of Ukrainian consumers to the Russian gas supplier. M. Pozhyvanov said: "The point is that Mariupol is supplied with gas by the only gas pipeline in Ukraine that can be shut off completely by Russia's gas industry."

Ukhazprom said that from 12 September, Russia's Gazprom would also reduce the volume of gas deliveries to Ukraine via other gas pipelines.

Rukh Chairman Cited on Recent Elections

LD0809200494 Kiev UNIAN in Ukrainian 1325 GMT
8 Sep 94

[Text] Kiev—Speaking at a news conference on 8 September, dedicated to the fifth anniversary of the formation of the People's Movement (Rukh) of Ukraine, Vyacheslav Chornovil pointed out that at present Rukh can be absolutely sure its efforts were not fruitless for Ukraine, which obtained its independence. Commenting on the course of the latest elections to the Supreme Council of Ukraine, the Rukh leader pointed out that, despite all difficulties connected with imperfect election law, Rukh managed to form an efficient group in parliament.

Vyacheslav Chornovil emphasized that the most urgent issue for all democratic forces is the coordination of efforts. "It has already become a tradition to blame Rukh of ambition, but it is not ambition that matters, but the differences in the fundamental views on the construction of the Ukrainian state. It is clear that mechanical unification of these forces will be of no benefit. A common platform of the democratic forces should be set up and priorities determined to suit all democrats," pointed out the Rukh leader. He also proposed to change the term "national-democratic forces" for "patriotic-democratic" which, in his opinion, would allow closer cooperation with the adherents of the so-called "economic nationalism," to which Vyacheslav Chornovil attributes representatives of certain centrist parties.

Expressing his attitude toward the first steps by the president of Ukraine, Vyacheslav Chornovil said that at present Rukh is attentively following the president's actions and has no grounds for open criticism so far.

Describing the state of relations between the branches of power, Vyacheslav Chornovil remarked that the "Law on Local Councils of People's Deputies" was passed by the Supreme Council in its first reading as a result of a misunderstanding. "The vertical executive power structure must exist and act, very much the same as genuine self-government must be exercised," emphasized the Rukh leader.

Vyacheslav Chornovil doubted the possibility of Leonid Kravchuk heading all the democratic forces. "I still

cannot understand what was behind the decision by Leonid Makarovych to run in the election to the Supreme Council. The role of the first president of Ukraine, in my opinion, is more attractive," he said.

'Unity' Group May Disband

*LD0809194394 Kiev UNIAN in Ukrainian 0845 GMT
8 Sep 94*

[Text] Kiev—A UNIAN correspondent learned on 8 September from sources close to the leadership of the Supreme Council that approximately 16 people's deputies who are members of the Unity parliamentary group have decided to change their political platforms and join other parliamentary groups and groupings, in particular the Interregional Deputies' Group and the Reform group. The Unity group was faced with the issue of being disbanded because of the absence of a quorum consisting of 25 persons as the regulation on deputies' groups stipulates.

UNIAN also has information that the division in the Unity group arose at the end of the last session of Ukraine's Supreme Council through disagreements during the election of Vitaliy Masol as prime minister. Deputies from Dnepropetrovsk hoped the then representative of the president in Dnepropetrovsk oblast, Pavlo Lazarenko, would be nominated for this post. There was even a previous agreement about this with the leadership of the Supreme Council. According to information received from members of the Reform group, it is precisely those from Dnepropetrovsk who intend to leave the Unity group.

Economy Minister Advocates Privatization

*AU0809174794 Kiev HOLOS UKRAYINY in Ukrainian
6 Sep 94 p 2*

[Interview with Ukrainian Economy Minister Roman Vasylyovych Shpek by Serhiy Vlad; place and date not given: "If You Haven't Learned How To Conduct Trade, Learn Now!"]

[Text] [Vlad] Roman Vasylyovych, conceptual approaches to the creation of transnational companies were discussed during the Russian Federation Deputy Prime Minister Aleksandr Shokhin's visit to Kiev. According to Aleksandr Shokhin, Ukraine "did not respond to Russia's proposal" to purchase a control package of shares of six enterprises on our territory. What enterprises attracted such a keen interest?

[Shpek] Enterprises of oil- and gas-processing complexes. However, our silence did not mean that we refused to discuss the question. I was in Moscow and insisted on creating a joint group of experts who would ultimately determine the criteria for estimating the cost of property taking into account inflation climates in the two countries and indexation of the enterprises' fixed capital. This indexation will soon be carried out in Ukraine and in the Russian Federation.

After all, it is, today, clear to everybody that unless transnational companies are created we cannot use the available capacities and cannot intensify integration processes. In the protocol signed by Deputy Prime Ministers Aleksandr Shokhin and Valeriy Shmarov, the Ministry of the Fuel and Energy Complex, and corresponding departments of the Russian Federation on the one hand, and the Ministry of Economy, the State Property Fund, and Ukraine's branch ministries and departments on the other hand were instructed to prepare proposals on the creation of transnational companies. It is also envisaged that, during the meeting between the two presidents that is expected to take place in October, the accord "On the Principles of Creation of Financial-Industrial Groups" will be signed. However, prior to that, it is necessary to harmonize the current legislations of our countries. I, personally, am a supporter of creating transnational companies. All the more so since, as the protocol on the negotiations reads, we are not only going to create them in the fuel and energy complex, but also in machine building, aerospace sphere, shipbuilding, in the sphere of processing agricultural products, and so on. There is one goal: To create a legal basis for the activity of Ukrainian and Russian entrepreneurs. They are interested in removing as many barriers as possible in the tariff regulation of the export-import of raw materials and semi-finished goods, something that will enable them, in the final analysis, to obtain much more profit than is possible now.

[Vlad] With one hand we ban the activity of the Ukrainian Oil and Gas Industry National Joint-Stock Company and with the other we are calling for the creation of a transnational company. Where is the logic?

[Shpek] I was among those who did not approve the creation of the National Joint-Stock Company. I will explain why. If oil and gas processing enterprises want to unite, let them go ahead. However, the main pipelines must remain state property. I am not against a joint-stock society, but I am against the monopolist who imports, transports, distributes, processes, sells, and even ventures to service the state debt. This was at variance with common sense, and that is why I welcome the decision to halt the activity of the National Joint-Stock Company.

[Vlad] Ukraine has some property on the territory of Western Siberia in the form of the fixed capital of the "Ukrsibnaftohazbud" [Ukrainian Siberian Oil and Gas Building] Corporation. We have a considerable portfolio of orders for the joint development of oil fields in the region. Does that mean that transnational companies will be founded precisely there?

[Shpek] Not only there, but in all those places where there are joint Russian-Ukrainian interests. In Ukraine, due to the decline in production, investment processes have been hampered: For example, the building complex has been affected. In order to rescue it, we must not only build in Siberia, but also in Central Asia, Turkey, and the Near East....

[Vlad] Mr. Shokhin remarked that Ukraine must pay for gas in time. If we take into account the fact that the debt minus the transit income constitutes about \$1.35 billion, it is necessary to take some radical measures. What do you propose?

[Shpek] On the domestic market, we must sell rather than supply gas. As long as the state is responsible for the debts of enterprises, the problem will not be resolved. Just look: The Ministry of Industry and the Ministry of the Military-Industrial Complex and Conversion repay their debts better than other consumers, because they pay in rubles and dollars. In the past, no payments were made for gas, electricity, or transport services; coal-tar chemists would not pay for coal; yet exporters, with their hard currency, bought even those things, which nobody really needed. Mind you, all of that in conditions of a profound currency and financial crisis! This was due to the fact that the state was answerable for the debts to Russian enterprises, and Ukrainian enterprises—to their own state. What we need is to make every entrepreneur responsible for his debts to any creditor.

[Vlad] Yet another remark by Aleksandr Shokhin at the final news conference referred to 16 percent of the Ukrainian share in the debts of the former USSR that is presently being repaid by the Russian Federation. In Aleksandr Shokhin's opinion, this circumstance may put an end to the unproductive negotiations between our countries on the former USSR's property abroad. What is your opinion?

[Shpek] It is only a political decision of the leaders of the two states that may put an end to the unproductive negotiations on this matter.

However, it is necessary to have experts at the negotiating table. Unless we resolve this problem, we cannot raise the question of restructuring external debts. As you know, the Paris Club of creditors deals with this, and the Russian Federation is not a member of that club. This particular club resolves issues of postponing the repayment of debts and of granting benefits to those countries that are incapable of servicing their external debts. In July, I had a conversation with the chairman of the Paris Club of creditors and expressed our desire to see the Russian Federation among members of that international financial organization. As our neighbor also has financial obligations to other countries, the Paris Club of creditors could discuss the question of restructuring Ukraine's debts. However, I was told that it is first necessary to put an end to the unproductive negotiations with the Russian Federation on the assets of the former Union.

[Vlad] Roman Vasylyovych, your ministry today pieces together information from branch ministries on those enterprises that will not be subject to privatization. At the same time, rumors are spreading to the effect that large enterprises will not be denationalized. In view of this, I would like to hear your opinion on the expediency of privatization processes in general....

[Shpek] I am not a supporter of hampering privatization processes. We must proceed from its initial stage—to the distribution of property among the population—to the owner who is capable of making a weighty contribution to manufacturing the social product. Incidentally, the creation of transnational companies, in which dissimilar forms of ownership coexist, is one of the approaches here.

Furthermore. Today, everybody feels shortages of circulating capital. At the same time, market-oriented states issue shares of enterprises and use profits from them as a source for replenishing the circulating capital. Only after that, should one resort to credits from banking institutions.

In short, it is harmful, as well as inexpedient, to halt privatization processes. The state as an owner did not use natural or raw materials resources efficiently, something that is confirmed by our history. After all, privatization is not conducted for the sake of privatization, but in order to raise the efficiency of social production.

[Vlad] What is your attitude toward the fact that, while having the law "On Bankruptcy," we do not have any bankrupts?

[Shpek] It is painful for me. The law is practically only effective in the sphere of nonstate-ownership structures. It is known that if the Malyshev Association goes bankrupt, there is little consolation in this, because someone must take care of the 40,000 persons involved in the conversion processes. However, if commercial structures owe 1.6 trillion karbovantsi [K] to dairy processing enterprises, K2 trillion to enterprises of the meat industry, and the latter, in turn, are indebted to organizations in charge of procurements, which also owe money to collective and state farms, the mechanism of bankruptcy must work with high precision. The shelves in our commercial enterprises are loaded with "Snickers" and "Amarettoes." I am not against them, because they encourage our home commodity producers to improve the quality of their products, but I am not against them only provided that the profits of our potential bankrupts will not be used as an interest-free credit for purchasing high-liquidity imports.

I get upset, as a minister, when a commodity producer does not get wages, and his superior, even after he sells his goods, laments: "Give me credits as I have no money to pay for labor." Once again, he will sell his products and will, once again, ask for credits. If his partners haven't settled accounts with him, then why doesn't he raise the question of recognizing the debtors as bankrupt? The current legislation provides for that! Incidentally, this is yet another argument for me in favor of privatization: A private owner will not excuse his debtor.

[Vlad] Everybody is interested in reforming the wages system.

[Shpek] True, today, its level has fallen sharply due to the decrease in the volume of production, the productivity

of labor, and the increase in the prime cost due to the rise in prices of energy sources. However, a part of the wages must be raised only through increasing the volume of production. We must work and earn—there is no other way. By selling our products on the domestic and external markets. If you have not learned how to conduct trade, learn now. It is only in this manner that we will overcome the payments crisis, pay the wages on time, and return to Ukraine our profits from selling the products.

[Vlad] They say that Ukraine still has no final program for emerging from the crisis situation....

[Shpek] The government is presently discussing its final version. I am sure that it will proceed from the policy toward increasing the efficiency of social production in order to raise the standard of living of the population. There is no doubt that, in the near future, our life is not going to be easy, because we cannot disregard such sensitive factors as domestic and external debts. However, the real wages will increase, although not so fast as we would like. Today, the government policy is oriented toward this.

Poll Shows Majority Favor Privatization

*LD0809140794 Kiev UNIAR in Ukrainian 1100 GMT
8 Sep 94*

[Text] Khmelnytskyi, 8 Sep—An opinion poll on privatization was conducted in Khmelnytskyi and Kamenets-Podolskiy at the request of the MSK international financial corporation. Asked about the connection between the economic crisis and privatization, 40 percent of Khmelnytskyi residents and 61 percent of Kamenets-Podolskiy residents answered that the crisis was caused by the slow rate of privatization, with 24 percent and 20 percent respectively of the opinion that there is no connection between the crisis and privatization. Privatization is regarded as the cause of the crisis by 31 percent and 19 percent respectively.

Meanwhile, 76 percent and 67 percent respectively believe that privatization is the best method to remedy Ukraine's economic doldrums. Accordingly, 24 percent and 33 percent do not think so.

Belarus

Chyhir: Economic Union Priority for CIS Summit

WS0909081994 Minsk Radio Minsk Network in
Belarusian 0700 GMT 9 Sep 94

[Text] An official Belarusian delegation has departed for Moscow to take part in the session of the CIS Heads of Government Council. The delegation comprises Prime Minister Mikhail Chyhir, Deputy Prime Minister Viktor Hanchar, Minister for CIS Affairs Uladzimir Zalamay, Defense Minister Anatol Kastenka, Deputy Foreign Minister Petr Belyayew, and acting Finance Minister Mikalay Rumas.

Head of the Belarusian delegation Mikhail Chyhir has given an interview to reporters, in which he deemed the implementation of the treaty on forming an economic union of CIS states as the priority issue to be discussed at the session.

We would like to point out that all in all, there are more than 30 issues on the agenda of the session of the Heads of Government Council.

Gas, Oil Dependence on Russia Viewed

WS0909101794 Minsk SVOBODA in Belarusian
6-12 Sep 94 p 5

[Report by V. Fedarovich: "Belarus's Unification With 'Gazprom'"]

[Excerpts] SVABODA has already reported that during President Lukashenka's visit to Moscow the Russian side proposed that Belarus hand over all transit gas pipelines passing through Belarus to clear Belarusian debts for energy resources. The Belarusian side responded that it is "not ready" to discuss the issue. To speed up Belarusian "readiness," Russia again used its favorite economic blackmailing: Belarus received a telegram that informed about the possible suspension of gas deliveries to Belarus.

The convenient geopolitical location of Belarus, which is not only the crossroads of key routes from Russia to Western Europe but also a hub of numerous European military and political issues, triggered Russia's open attempts to intensify Belarus' economic and political dependence on it. The pro-Russian lobby in Belarus did its best to incorporate Belarus in Russia with the help of such ideas as "single economic zone," "collective security," "ruble zone," and so on. The moves, however, did not produce any results.

The dependence of the Belarusian economy on Russian oil and gas is the best guarantee of our subservience. The pro-Russian policy of the former, as well as of the current, government, allows the Belarusian enterprises, people, and state to be robbed by delivering Belarusian goods to Russia on the basis of clearing agreements in exchange for oil and gas. For example, losses of the Minsk Tractor Factory in 1993 stood at 69 billion rubles

[R] and of the Minsk Vehicle Factory—R49.6 billion. According to experts' estimates, our losses from trading with Russia could reach \$437 million because prices for Belarusian goods were cut while those for Russian oil and gas—increased. At the same time, the Belarusian Popular Front has proposed that other organizations supporting Belarusian statehood look for new suppliers and sources of energy resources, to construct the Black-Baltic Sea oil collector. These proposals, however, were and are being rejected by power bodies.

What is the reason for this apparently "irrational" policy of the Belarusian leadership? Is it the sacred love for the neighboring state? It is no secret, however, that the Russian oil and gas industry is run by non-state structures (their leadership, however, includes top Russian officials). SVABODA has learned that when recently the most prominent Belarusian oil-and-gas businessmen from the Kebich government began leaving the political arena, certain Belarusian state companies dealing with oil and gas obtained an interest in their Russian "guardians." We have learned that Belarusian gas pipelines along with the entire Belarusian gas industry are going to be handed over to the Russian Joint Stock Association "Gazprom." [passage omitted]

The top Russian and Belarusian political circles know well that "Gazprom" not only influences the domestic and foreign economic policy of Russia but also affects the overall economic situation in Europe, first and foremost, in the states-consumers of Russian energy resources.

To expand its economic and political influence, "Gazprom" is acquiring property (primarily connected with its operations) abroad. Belarus is one of its most important goals.

We fully realize who will receive Belarusian pipelines. To make this process more "legal," the Russian side proposes the following wording for one of the clauses of the "Agreement on Friendship, Good Neighbor Relations, and Cooperation between Belarus and the Russian Federation": "... The sides... will do the utmost to promote the development of relations between economic entities, to establish transnational companies, financial-industrial groups, and to bolster cooperation of enterprises, associations, and banks, producers and consumers of products on the basis of free transit of goods, services, capital, and labor." As far as we know, A. Lukashenka is going to sign this agreement with just this wording. The path for Belarus to "Gazprom" is open.

I would like to emphasize that this process is already "under way." For example, "Gazprom" began constructing its own pipeline "Yamal-Western Europe" on Belarusian territory. Our readers can recall that Russian and Polish presidents concluded an agreement on the issue. Kebich's and Shushkevich's silence regarding Russia's open disregard for Belarusian interests prompted questions already last year. "Gazprom," virtually, holds a controlling block of shares in the Belarusian-Russian

stock holding company established together with the Berasteysk factory of gas equipment and owns the largest gas reservoir in Belarus. Most important is, however, the inclusion of "Beltransgaz," the Belarusian state enterprise of gas transportation and delivery, into "Gazprom." It could happen that we will learn who handled this deal and what the reasons were. We can currently state that nine gas mains (5,061 kilometers in length) have already been handed over to the Russian monster. The land under these nine gas mains has been leased for 99 years.

We expect that Belarus will be gradually sold to "Gazprom." We have some facts proving that our oil processing and chemical enterprises will be next.

World Bank Delegation's Comments Noted

WS0809121294 Minsk Radio Minsk Network in
Belarusian 1000 GMT 8 Sep 94

[Text] The World Bank highly assesses the accomplishments of Belarus in the political sphere, however the international financial organization is dissatisfied with the former government's pace of utilizing an already extended stabilization credit. After the credit was received, economic reform did not begin in the Republic. This opinion was voiced by Basil Kavalsky, director of the World Bank's Fourth European Department, who is currently on a working visit to Minsk. Responding to this statement, Deputy Supreme Soviet Chairman Ivan Bambiza asserted that after the presidential elections, as well as the upcoming elections for the Supreme Soviet and local administrative bodies, economic reform will gain momentum. In his turn, the World Bank official pointed out that his organization believes that there are three primary directions for the development of the Belarusian economy—the introduction of new technologies, the expansion of exports, and the encouragement of medium-sized and small businesses. The World Bank president has discussed these issues with Prime Minister Mikhail Chyhir and National Bank Chairman Stanislaw Bahdankevich. As a result of those talks, an agreement was reached, under which the World Bank will grant Belarus a credit of \$600 million in the near future.

Minister Signs Edict on Army Efficiency

WS0909085494 Minsk BELAPAN in Belarusian 1600
GMT 8 Sep 94

[Text] Belarusian Defense Minister Anatol Kastenka has issued the order "On Increasing the Efficiency of Work for Establishing Strict Military Discipline, Law, and Order." In the document, the minister gives a negative assessment of the existing state of affairs in the field of training in the Belarusian Army, and lists the basic reasons behind its low efficiency. According to Kastenka, the current state of discipline in the Army is a result of the activities of all bodies connected with the Armed Forces. In his opinion, it is necessary to intensify

interaction with the bodies of prosecution and military justice, and to bring up on charges those dodging military service.

The minister demands that officials responsible for eye-wash and concealment of facts be prosecuted.

According to the order, beginning on 1 November 1994, in light of a reduction in the statutory period of military service, a system of gradual measures for preventing crime and improving training is to be introduced in the Army, so that commanders are aware of how soldiers should be trained from the beginning to the end of their service. On 1 January, a system of overall elimination of legal ignorance will begin to be introduced.

The document places much emphasis on the officers. In particular, the order stresses the need to stabilize the process of manning the officer's corps, to eliminate the practice of influential patrons promoting their proteges, and to review the retirement system so as not to prematurely discharge gifted and experienced officers.

The minister of defense believes it necessary to improve the work with conscripts, engaging for this purpose not only military registration and enlistment offices, but also those organizations where future soldiers work or study. The commanding officers in military units were ordered to arrange regular "days of open doors" and to allot the equipment necessary for the training of conscripts to associations for assisting the Army.

Kastenka suggests that the Ministry of Defense be empowered to organize young people's patriotic clubs, and demanded that the mass media provide unbiased coverage of all aspects of Army life.

President To Take Control of Border Guards

LD0809192694 Moscow INTERFAX in English 1458
GMT 8 Sep 94

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[Text] The president is planning to bring the country's border forces under his own control, General-Colonel Petr Chaus said in Minsk on Thursday at the end of a formal inspection of the Belarussian border guards. The measure followed Lukashenka's concern at slackened border controls leading to the dismissal of Border Forces Commander Yevgeniy Bocharov on August 30. Bocharov was one of the most influential figures former Prime Minister Vyacheslav Kebich's entourage. IF Note: According to the border troops' press service, more than 1,500 illegal immigrants tried to infiltrate across the country's into Poland, most of them from Asia and Africa.

Chaus blamed the setback on poor funding of the force which was grossly unmanned. He said the force had to be formed afresh as things were now.

The government commission accused former troop commanders of incompetence, failure to work together with military intelligence and other bodies, squandering of foreign exchange and financial irregularities in the sale of confiscated weapons.

One other reason for an increase in illegal immigration is a lack of co-operation with Russian border guards, Chaus said. Many groups of illegal immigrants are formed in Russia, an issue that Belarussian Prime Minister Mikhail Chigir wants to raise during the CIS heads of government meeting in Moscow on Friday.

Deputy Views Lukashenka's Staffing Policy

WS0809144594 Minsk ZVYAZDA in Belarussian
3 Sep 94 pp 1, 2

[Interview with People's Deputy Anatol Lebedzka by A. Tamkovich; place and date not given: "State Interests Should Become a Code of Laws"]

[Excerpts] [Tamkovich] The country is living through a deep crisis which characterizes all areas of our life—the economy, society, and our spiritual culture. Our agenda contains hundreds of issues which should be urgently resolved. What, in your opinion, is the most urgent issue on the agenda?

[Lebedzka] The state buildup affecting virtually all sides of our life will remain the key political and economic issue over the next two or three years. Belarus as a state exists only de jure, not de facto. The Belarussian state is present in the Constitution's clauses, our national symbols, the structure of state power bodies. We have not yet come off as a state. The state buildup is a rather complicated and painful process. It is no surprise that only 214 out of 10,000 nations and ethnic groups on earth have been able to resolve this issue. We are taking a history test on endurance. Our character, respect for our forefathers, and the ability to think and create are currently being tested.

Our children and grandchildren—the most rigorous examiners—who will obviously surpass us in wisdom, will judge us by our actions.

[Tamkovich] Will the USSR, though with a smaller membership, be restored?

[Lebedzka] This is impossible as of today. The presidential elections in Belarus proved this. Only 253,000 out of some 7.5 million electors supported the political platform of the Party of Communists in Belarus. This platform was based on the return to the great Soviet Union and barrack-like communism. We cannot but emphasize that a considerable portion of the population (primarily old people) are nostalgic about our recent past. This nostalgia was generated by the appearance of new borders between the CIS states, the borders affecting people's deepest sentiments, the devaluation of human life, which is already undervalued, the breakup of the economic relations which led to a considerable decrease

in the standard of living of the majority of people in the new states, and the great outburst of crime and bellicose national radicalism. A person who is not caring about the collapse of the great state is immoral, a person calling for the revival of the USSR is crazy. These are two peculiar features depicting the current moral outlook of many people.

However, as a literary hero once said, you will not get far in an old-fashioned coach. A rational politician should proceed from current realities.

[Tamkovich] People from East European states have spared no efforts in strengthening their national states, however, West Europeans are inclined to unite with one another.

[Lebedzka] Craving for a strong state is characteristic and typical of the former postcommunist states. The formation or reestablishment of national states provided the sole opportunity to revive the universal human rights which were abolished by a totalitarian system. The East European national states are entering the international arena as key performers while the West European states are apparently leaving the international stage. This is, however, a quick process. The period of national emancipation will have been over by the beginning of the next century, and the all-European tendency toward integration will dominate. The first quarter of the 21st century can become a period for establishing the United States of Europe.

[Tamkovich] Do you really believe that a strong state is a necessary condition for the resolution of complicated economic and social issues?

[Lebedzka] For me personally, the state means people, individuals. The interests of the state represent the interests of 10.4 million people living on Belarussian territory. I regard the state as a means for protecting people's interests, a means of leverage for the implementation of their rights to a wealth, work, education, housing, freedom, as an instrument for establishing conditions promoting the development of the intellectual, physical, and spiritual potential of an individual.

I am dreaming of living in a time when the "interests of the state" will become the essence of and the basis for our work, mentality, a code of behavior from a president to a provincial council chairman and each person and citizen of our state. This cannot be implemented unless we have a strong state. Therefore, corruption, embezzlements, cheating, state extortion, lawlessness, and other negative tendencies will go on living happily as vegetables in hydroponic beds.

[Tamkovich] So, is the state a panacea?

[Lebedzka] Not always. The principle of "the more weight someone has, the better they are" is not suitable here. There are some areas of human life in which the state is not only superfluous but even harmful. For

example, it is impossible to cut the bureaucratic staff if the state owns the entire economic sector.

[Tamkovich] The former leadership had issued several programs outlining our transfer to market relations, however, the reforms still remain where they were.

[Lebedzka] First of all, power cannot implement reforms at the expense of people or without them. Second, power enjoying no trust cannot implement reforms at all.

[Tamkovich] What should be done to make reforms work?

[Lebedzka] Many factors are needed for the implementation of reforms. The principal factor, however, is to make people cooperate. Reform means development. We cannot buy or lease development. Development is the result of joint efforts. Each and every person has some positive potential. Our task is to use this potential and put it to good use. This requires incentive and motivation. We, however, work according to the formula: You pretend to work while we pretend to pay you. The best incentive is the prospect for the quick and stable improvement of living standards and increases in personal incomes. The achievement of this depends on the following factors:

- access to capital;
- access to real estate (land, buildings, equipment);
- access to markets;
- the availability of the capital of knowledge, or, "know-how." The more monopolized or inaccessible it is, the fewer the number of people who can productively participate in state development, the more sluggish and less dynamic it is.

[Tamkovich] At the news conference of the deputies' faction "New names—new policy" in early 1994, you announced that young politicians are inclined to come to power in the year 2000. Providence, however, dealt you a different hand: The majority of your colleagues have already taken the helm of power. Is that accidental?

[Lebedzka] Any accident is the result of many regularities. The change of the political leadership in the Republic is an objective process. The point is only what political team stands on the captain's bridge and occupies the place nearest the Belarusian helm of power. We have outlined the course correctly: The emergence of a new generation of politicians-pragmatics and the increase of their influence. We have not been mistaken in drafting our key strategic tasks and planning tactics. We will require five years to specify our positions, establish the party structure [as published], propagate and implement our ideas and views through participation in state bodies. Life, however, has introduced some corrections and the situation began developing according to another scenario. The power of the former, discredited leaders, who will remain in power for the next five years, presents a real danger to us. This would

imply the continuation of economic stagnation, impoverishment of people, and the emotionless and planned abolishment of Belarusian statehood.

Given this critical situation, there is no political force which could oppose the so-called "party of power." This vacuum could be filled only by A. Lukashenka's team uniting the young political forces of our Republic.

It would have been more convenient to stand on the sidelines of political life, observe our opponents, earn political points by criticizing them and babbling on and on, and come to power in five years or so. It is up to history, however, to supervise politicians and decide when they have to enter the political arena or hide behind the curtains.

[Tamkovich] As far as I know, your staffing policy observes the rules of "second persons": Young politicians are mixed in with rather experienced ones. Can you guarantee that the most experienced will not "swallow" their younger colleagues?

[Lebedzka] This principle reflects the presidential viewpoint: He views the staff of the government, administration, and executive branch in provinces as a harmonious union of youth and experience. I could outline two tendencies in our staffing policy—the tendency aimed at changing the administration in power (until now it was implemented only at the top echelons of power) and the second tendency—connected with the future—aimed at the daring attraction of young, energetic, and educated people, the so-called "second persons." The criteria of selection are professionalism and high moral values.

[Tamkovich] We have always had supporters among the powers-that-be, but what about the opposition? Who, do you think, can claim to be the leader of the presidential opposition?

[Lebedzka] In my opinion, the president has an interest in the existence of the opposition. I would like to emphasize that this opposition must be constructive to be able to stimulate the power's action and make it more responsible and reasonable. Unfortunately, we have no political traditions and we lack a multiparty system. We are just coming to understand the necessity of the democratic mechanism regulating the change of power. In such a situation, the opposition (irrespective of its social nature) exists rather as kind of dissatisfaction—reflected in noisy actions of protest—than a structure, a force able to efficiently effect the political processes and conduct constructive dialogues with power. I regard this as the disease of our growth, which will end with the establishment of a democratic society in Belarus.

The president relies on the support of political parties and movements. We are planning to hold a series of meetings between the leaders of the state and party representatives. I believe that the search for agreement in the name of the people and the state should become the leitmotif of these meetings. After all, despite all our

political squabbles, we should remember that we share the same land. [passage omitted]

[Tamkovich] We have elected the first Belarusian president. Who will be the second one?

[Lebedzka] Lukashenka. People have enormous, colossal trust in him. People of his kind are born leaders, they can be nothing else. They are born for challenges, action, and hard work.

Moldova

Flood Damage to Agriculture Assessed

AU0909071994 Chisinau BASAPRESS in English 1930 GMT 6 Sep 94

[Text] Chisinau BASAPRESS, 6/9/1994—As a result of the August 26-27 calamity 17,050 hectares of maize, 3,220 hectares of sugar-beet and 5,000 hectares of orchards and vineyards were destroyed, states a report by the Moldovan Food and Agriculture Ministry specialists. The report says that as a result, the maize yields will decrease by 60,000-70,000 tonnes, sugar-beet 60,000 tonnes and fruits 8,000-10,000 tonnes. The harvest of grapes will decrease by 35,000 tonnes. Previously, the same specialists said that the drought damaged the harvest of cereals, sugar-beet, fruits, grapes, etc. Thus, the output of fruits will decrease by 150,000- 200,000 tonnes and grapes by 200,000 tonnes. The harvest of grapes, which is a basic element of the Moldovan agricultural sector, was forecasted to yield 450,000 tonnes which is 50 percent lower than the average annual level over the last years. Government specialists estimated the total damages caused by the drought at 569 million lei.

Foreign Credits Used for Flood Cleanup

AU0809191794 Chisinau BASAPRESS in English 1800 GMT 5 Sep 94

[Text] Chisinau BASAPRESS, 5/9/1994—The amount of 100 billion karbovanets granted by the Ukrainian Government to Moldova is a non-reimbursable humanitarian assistance, BASA learned from Ion Ciubuc, vice minister of economics. According to sources from the National Bank, the amount equals \$2.5 million. Ciubuc specified that Moldova will not require foreign credits to lessen the consequences of the August 26-27 natural disaster. The need for products and building materials will be covered from the humanitarian assistance and budget allotments. "A major problem is the building of 600 houses for victims. It can be settled only with the foreign help since Moldova faces a shortage of building materials," Ciubuc said, mentioning that 73 billion karbovanets will be used to buy building materials from the Ukraine. Sources from the republican commission dealing with the consequences of the natural disaster told BASA that the aid packages granted by the West and international organizations so far amount to \$1,442,000.

Moscow City Grants Aid

AU0809195994 Chisinau BASAPRESS in English 1800 GMT 5 Sep 94

[Text] Chisinau BASAPRESS, 5/9/1994—Yesterday, Chisinau Mayor Serafim Urecheanu met with Aleksandr Matrosov, minister, vice- premier of the Moscow city government. Serafim Urecheanu stated to BASA that the Moscow city government will grant the victims of calamity aid packages. He specified that the torrential rain damaged about 50 private houses, 400 flats and several square kilometers of road in the centre of Chisinau. The aid packages include about 400 tonnes of pipes of 15-600 mm diameter, 1,200 tonnes of pitch, 200 tonnes of cement, 300 cubic metres of lumber, 3,000 metres of cable, an excavator, two vehicles for repairing water pipes, other equipment and materials worth about 10 billion rubles, stated Urecheanu. "The damage caused by the rains in Chisinau are infinitesimal compared to those in the Hancesti or Strasenii districts," he said mentioning that "by negotiating on granting of aid packages to the victims of calamity, not politics but concrete attempts will be made to lessen the sufferings of the people affected by the natural disaster."

Romania Grants Assistance

AU0809200894 Chisinau BASAPRESS in English 1800 GMT 5 Sep 94

[Text] Chisinau BASAPRESS, 5/9/1994—The Romanian Government decided to grant Moldova a humanitarian assistance worth 1 billion Romanian lei (\$588,000) consisting of building materials and food-stuffs, told BASA Mihai Rujoi, counselor-minister of the Romanian Embassy to Chisinau. He said that the Romanian Government's decision will be realized in the near future. "Not declarations but practical intentions matter, and the Romanian Government intends to grant the Moldovan victims a substantial assistance," stated Rujoi. BASA learned from Moldovan officials that they were not formally informed about the Romanian assistance. Other sources from the government said that "Bucharest's reaction was more syncope than that of the other states." Emilian Ciobu, counselor-minister of the Moldovan Embassy to Bucharest, stated to BASA that "the Moldovan diplomats met with representatives of the Romanian Government to discuss the concrete methods of granting humanitarian assistance to the Moldovan districts affected by natural disaster."

USF Criticizes Prosecutor's Suspension Recommendation

AU0909071194 Chisinau BASAPRESS in English 1930 GMT 6 Sep 94

[Text] Chisinau BASAPRESS, 6/9/1994—The Prosecutor's Office notification according to which several parties and movements are to suspend their activity for half a year seems to be an invitation to the parties concerned to bring their constitution documents in conformity with

the Constitution, said to BASA Nicolae Ursu, Moldovan interim general prosecutor. The Moldovan Prosecutor's Office is a non-political organization and does not pursue by this notification political objectives, said Ursu. Valentin Krylov, from the Socialist Unity Faction [USF], said to BASA that the Prosecutor's Office notification gave him "a very negative impression, even though it refers to the activity of the Christian Democratic People's Front (FPCD)." According to Krylov, the Ministry of Justice was wrong to register the FPCD. Such methods of getting rid of the opposition are not welcome these days, he said mentioning that the current Moldovan leaders tend to impede the FPCD from participating in local elections. "The Front has to be defeated in the elections and not by restrictions," said Krylov.

CDU Claims Power Wants To 'Eliminate' Opposition

AU0809200694 Chisinau BASAPRESS in English 1800 GMT 5 Sep 94

[Text] Chisinau BASAPRESS, 5/9/1994—The Prosecutor's Office letter to the Justice Ministry to suspend several parties and political organizations, among them the United Democratic Congress (CDU), is nothing but an excuse to eliminate the opposition, stated to BASA Gheorghe Ghimpu, CDU secretary. He also said that today, the Justice Ministry issued the re-registration of the organization with the name of United Democratic Congress (name given after the recent merger of several parties and movements). "The Justice Ministry has no pretensions, while the Prosecutor's Office has," Ghimpu said. He also mentioned that it would be quite normal if the CDU appealed the Constitutional Court. "We believe that neither the CDU statute nor its activity contradicts the Constitution. The real purpose is to liquidate the opposition by the date when local elections will be held. The dictatorship of a single party is now being established in Moldova," Ghimpu said. BASA asked Ion Anton, vice minister of justice, to comment on this letter. However, he said he knows nothing about this and cannot make any statements. Both the justice minister and Moldovan general prosecutor are on vacation.

Ungureanu Outlines State Security Commission Schedule

AU0909071694 Chisinau BASAPRESS in English 1930 GMT 6 Sep 94

[Text] Chisinau BASAPRESS, 6/9/1994—Presently, the Commission for State Security is elaborating a series of draft laws that are to be presented to the Parliament in October-November, said to BASA Ion Ungureanu, chairman of this commission. Ungureanu pointed out that the draft on national security, Moldovan military

doctrine, law on state security, law on security institutions and civil protection are being elaborated. On the other hand, he pointed out that regulations on passports are also being worked out. If these regulations are adopted in October-November, the bodies affiliated to the Ministry of Interior will be able to issue new passports beginning January 1. As to the military doctrine, Ungureanu said that the principle of demilitarization will be at its core. This principle stipulates that no foreign army is admitted on Moldova's territory and that Moldova will not adhere to any military bloc. According to informed parliamentary sources, the autumn session is scheduled for September 20.

Government To Build Business Center in Chisinau

AU0909071894 Chisinau BASAPRESS in English 1930 GMT 6 Sep 94

[Text] Chisinau BASAPRESS, 6/9/1994—Today, the Chisinau Government made public the decision on creating a business centre in Moldova. The creation of the centre will stimulate the activity of entrepreneurs and small business without which a normal operation of an economy is impossible, stated to BASA Valeriu Muravschi, Moldovan Banks Association chairman and one of the founders of the centre. He specified that the European Community allotted \$900,000 to support the Centre in its first two years of activity. The Fund for Supporting Entrepreneurship and Developing Small Business, Entrepreneurs and Leaseholders Union, Banks Association and Moldovan Industrialists Union are founders of the centre. The new institution will offer private business services regarding the elaboration of enterprises' constitution documents, feasibility surveys, examination of some projects and analysis of market, prices and fiscal system. "The foundation of the Business Centre is only the first stage in a great project which envisions the creation of an investment company and branches of the business centre," said Muravschi.

Gagauzia Opposes Change in Autonomy Status

AU0809195394 Chisinau BASAPRESS in English 1800 GMT 5 Sep 94

[Text] Chisinau BASAPRESS, 5/9/1994—"The Comrat district could protract the adoption of the law on the Gagauz-Eri-Gagauzia special status," declared to BASA Ivan Burguji, head of a group appointed by the Comrat leaders to elaborate the mechanism of enacting the law on special status for the southern districts. Vladimir Lebedev, a Chisinau lawyer, was appointed as expert of this group. According to some Comrat sources, Lebedev has been recommended by the Tiraspol authorities. Burguji told BASA that the Chisinau legislators could modify the status to the detriment of Comrat. "If the Gagauz-Eri draft is modified considerably in such a way that it will not be accepted by the Gagauz people, our

group will propose the Comrat leadership to implement the previous decisions of the Gagauz Parliament. These decisions stipulate the creation in this area of parallel state structures," said Burguji quoted by BASA.

Gagauzia Signs Friendship Agreement With Ossetia

AU0809195494 Chisinau BASAPRESS in English 1800 GMT 5 Sep 94

[Text] Chisinau BASAPRESS, 5/9/1994—President of the self-proclaimed Gagauz republic, Stepan Topal, and president of the State Council of South Ossetia, Ludvig Chibirev, have signed a friendship, collaboration and mutual assistance agreement. According to the Comrat government's press communique released to BASA, the ratification of the agreement by the two parliaments is to be made during this month. Previously, Gagauzia has concluded similar agreements with Dniester and Abkhazia, members of the Union of Unrecognized States. The communique says that Stepan Topal and Ludvig Chibirev unanimously agreed on the viability of the new community. "This belief is backed by its members' interest to support the national and state interest."

Dniester Telephone Lines Cut Off for Nonpayment

LD0909061294 Moscow Mayak Radio Network in Russian 0430 GMT 9 Sep 94

[Text] The Dniester Republic's intercity telephone lines have been cut, so it is practically cut off from the outside world. The Moldovan Ministry of Information and Communications says this was done because of the large debt owed by the Dniester Republic to Chisinau.

Ministry Denies Plans To Introduce Visas for Romanians

AU0909072094 Chisinau BASAPRESS in English 1930 GMT 6 Sep 94

[Text] Chisinau BASAPRESS, 6/9/1994—On September 5, the Bucharest newspaper *EVENIMENTUL ZILEI* reported that in the Chisinau authorities intend to introduce visa regulations for the Romanian citizens who want to visit Moldova. The newspaper alleged that it bases its information on a draft decision by the Moldovan Ministry of Foreign Affairs which is called "mysterious" by the Consular Direction. The Direction calls such statements "bad inspiration which does not have any foundation and is nothing but a fruit of the author's fantasy."

Kazakhstan**Prosecutor General Seeks Economy Minister's Arrest***LD0709200294 Moscow INTERFAX in English 1741 GMT 7 Sep 94*

[Text] Kazakh Prosecutor General Zharmakhan Tuyakbayev asked the parliament today for permission to arrest Economics Minister Mars Urkumbayev, who currently enjoys parliamentary immunity.

Tuyakbayev said that the criminal case against Urkumbayev had been initiated on June 13. Urkumbayev was charged with abusing his office and causing "significant damage" to the state interests. The criminal case was instigated on eleven incidents in 1991-1993 while Urkumbayev was head of the Dzhambul Melioration Institute and later the head of the South Kazakhstan regional administration.

The Kazakh parliament will give its decision on September 8.

Kazakh President Nursultan Nazarbayev temporarily dismissed Urkumbayev as the Economics Minister at the demand of the Prosecutor General Office from July 15 till August 15 in the interests of the investigation.

Urkumbayev denied the accusations against him put by the Prosecutor General Office in an interview with the Express K republican newspaper. He said that he was being victimized for actively carrying out market reforms in Kazakhstan.

Parliament Denies Prosecutor General Request*LD0809205594 Moscow INTERFAX in English 1802 GMT 8 Sep 94*

[Text] Kazakh parliament declined the request of the republic's attorney general to arrest Economics Minister Mars Urkumbayev.

Urkumbayev is accused of abusing his official position and inflicting substantial damage to state interests.

In the course of the voting Thursday the Supreme Soviet failed to collect four additional votes needed to deprive Urkumbayev of his deputy immunity.

As a deputy of the former Supreme Soviet (the parliament of the previous convocation dissolved in December 1993) Urkumbayev enjoys deputy immunity for two years.

Our Interfax correspondent reports that some deputies believe that the documents presented by the attorney general "do not prove any power abuses with malicious intent" or any proof of theft or appropriation of state property. In their opinion, the matter calls for less harsh measures.

Urkumbayev declared that he believes he "is the victim of anti-reformist forces" headed by "top-ranking officials." Urkumbayev did not name anyone, saying that the attorney general is not on his black list.

Nazarbayev Decree Creates State Development Bank*LD0809175194 Moscow ITAR-TASS in English 0637 GMT 8 Sep 94*

[By ITAR-TASS correspondent Vladimir Akimov]

[Text] Alma-Ata [Almaty] September 8 TASS—Kazakhstan sets up a State Bank for the republic's development. A decree issued by President Nursultan Nazarbayev on Thursday notes that this move was prompted by the need for improving and raising efficiency of investment activities.

The new establishment is a government finance and lending institution and is called upon to carry out long-term crediting. It will be fully responsible for purpose-oriented and efficient use of credits as well as for the implementation of investment projects financed by it.

The bank's board includes representatives from the Economics and Finance Ministries as well as from other republican departments.

In the opinion of local analysts, Nazarbayev's decision to set up the development bank should be regarded as one of his numerous steps to realise the government's action program (approved by parliament) to deepen reforms and pull the country out of the economic crisis.

Drug Smuggling More Active on Borders*LD0709201394 Almaty Kazakhstan Television Network in Russian 1400 GMT 7 Sep 94*

[Text] The world's narcotics business is getting more and more familiar with the Kazakh market. Data provided to the local media today by the republic's customs officials dramatically demonstrate this. Since the beginning of the year, 42 attempts of narcotic smuggling have been prevented on the borders of the country. As result, the drugs traffickers have lost 261 kg of drugs, twice as much as in the same period of time last year.

Kyrgyzstan**Exacerbation of Political Crisis Viewed***LD0809183294 Bishkek KYRGYZKABAR in Russian 1125 GMT 8 Sep 94*

[Text] Bishkek, 8 Sep—The opponents of President Askar Akayev's steps to ensure political stability in the republic are trying to raise a storm in a tea-cup. The presidential edicts following the parliamentary crisis and the resignation of the government have provided fresh food to his political opponents. Stunned by the avalanche of presidential edicts, the opposition has gathered

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its wits and is seeking in Akayev's actions for any causes for a return to the past. But the head of state is not giving in to them.

The paper SLOVO KYRGYZSTANA published a statement today from the president's press service, which utterly routed the statement published in the papers by his colleagues from the Jogorku Kenesh (Supreme Soviet) on the position of the president with regard to convening an extraordinary session of parliament. He did not at all see this step as advisable, and did not agree to take part in the work of the session. The opposition tried to interpret in its own way Akayev's position at the meeting with MPs where they only discussed his edict on ensuring political stability in the Kyrgyz Republic and urgent measures of an socio-economic nature. But the truth will out.

The actions of the president, who stressed in his edict the impossibility of the further existence of parliament (the refusal of the majority of them to take part in the session), reelections to the Jogorku Kenesh in 1994, and the decision to hold a referendum on amendments and additions to the Constitution, are fully in accordance with the fundamental law and other legislation of the republic. There are no grounds, it stresses in the statement of the president's press service, for accusing him for his decision to hold preterm elections to parliament: That is his legal right. The convening of the extraordinary session of the Jogorku Kenesh most likely will exacerbate the political situation: Various groups of MPs are very irreconcilable.

There has not been such a tense situation in the republic since the August coup in the USSR. It is not yet clear what forces the opponents and supporters of the president have at their disposal. However, the paper RES-PUBLIKA, which has been a considerable thorn in the side of the wielders of power, today called Akayev's actions an attempt to move to presidential rule, and even regrets that the gentle, intellectual academician, going through the crucible of political intrigues, has changed. A thankless role in this, according to the paper, was also played by his viziers, striving to please the Padishah. The publication asserts: It is precisely the president's advisers who have this cunning scenario for dissolving the Jogorku Kenesh, and the signatures of the MPs to the appeal to dissolve the legislature of the republic were either the result of incitement or made under pressure.

Of course, some MPs, who are simultaneously leaders of various ranks, may have been apprehensive of a wide-ranging discussion at the upcoming session of abuses of power. But there are so far no grounds for saying that the powers that be in this way are trying to protect people loyal to them.

A grave threat is hanging over this little island of democracy—such is the opinion of the following parties: Erkin Kyrgyzstan (Free Kyrgyzstan), the Communists of Kyrgyzstan, the Association for Progress and National Dignity, the Kyrgyzstan Eli (People of Kyrgyzstan)

society, the Movement for National Unity, the Union of Students of Kyrgyzstan, the Free Information society, the socio-political Union of builders, and the Kokjar (Blue Ravine society—the name of a suburb of Bishkek where a township is being built by the forces of the society consisting of the Kyrgyz population that had moved to the capital from remote rural areas of the republic). All of them have handed over a joint statement to press organs. It announces the creation of a congress of democratic forces and the public. Its aim is to oppose events incited from above and to prevent an attempt to lay the path to dictatorship. The party has three demands: To hold an autumn session of the Jogorku Kenesh, elections in March 1995 to a new composition of the Central Electoral Commission, with the inclusion in it of representatives of all political parties, and before elections the creation of a provisional government with the participation of political parties and movements. The organizers of the congress have called on the citizens of Kyrgyzstan for unity for the sake of preserving the Constitution, democracy, and freedom.

To spite the politicians, the emerging class of entrepreneurs in Kyrgyzstan has welcomed Askar Akayev's steps with open arms, so to speak. In their address to the president they fully supported him and those MPs who refused to take part in the autumn session. Various public associations of business people, the Independent Trade Union of Entrepreneurs, owners of private firms, directors of enterprises and joint-stock companies are convinced that the firm measures being taken by the president to create a professional parliament will lead to the strengthening of statehood and successful reform of the economy. All of them in practice are convinced of the inability of parliament to ensure normal working for them. The facts speak for themselves.

Over the past two years there have become considerably fewer entrepreneurs. As a result, the state budget has considerably shrunk. In the view of the businessmen, it is parliament which is to blame for that. It cannot or will not create the laws that respond to the requirements of the age.

Today the entrepreneurs are pinning all their hopes on the president's steps to strengthen political stability in Kyrgyzstan.

Coal Miners Establish Strike Committees

MM0809125194 Moscow ROSSIYSKAYA GAZETA in Russian 8 Sep 94 First Edition p 6

[Report by Vladimir Berezovskiy: "Kirghizia. Blushing at the Prices..."]

[Text] The first strike committees have been set up by miners in the south of the country. Most of the pits have closed down because their equipment is worn-out or because they are short of spares and fuel. No wages have been paid, of course.

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In order to get through the winter normally, Kirghizia [Kyrgyzstan] will need around 730,000 tons of coal. Less than half that amount has currently been laid in. All hopes are being pinned on neighboring Kazakhstan. But the population is unlikely to be able to afford the Karaganda coal—it costs \$50 a ton.

Tajikistan

Russian Border Guard Killed in Attack

LD0909085594 Moscow *ITAR-TASS World Service in Russian* 0610 GMT 9 Sep 94

[By *ITAR-TASS* correspondent Anatoliy Yurkin]

[Text] Moscow, 9 Sep (*ITAR-TASS*)—Russian border troops repulsed an attack by an armed opposition detachment Thursday evening on the Tajik-Afghan border in Gornyy Badakhshan.

The Russian Federal Border Service's press office told *ITAR-TASS* today that a combat reconnaissance group of the border commandant's office which was carrying out a foray yesterday on the left flank of an outpost of the Khorog border detachment discovered around 50 fighters trying to cross from Afghan territory. The border troops immediately entered into battle with a group escorting the extremists. The attempt to cross the border was thwarted in an hour. A KaMAZ motor vehicle belonging to the fighters was destroyed and the rest of the gang was dispersed.

However, according to the Russian Federal Border Service's press office, a Russian APC was destroyed: driver and mechanic Ye.A. Darovskikh died; P.A. Slyushchinkov, chief of staff of the border commandant's office, suffered contusions; and border guards R.F. Rybin and V.S. Titov received shrapnel wounds.

Opposition Forces Continue Offensive in Pamir Area

LD0909103194 Moscow *ITAR-TASS in English* 0930 GMT 9 Sep 94

[By *ITAR-TASS* correspondent]

[Text] Dushanbe September 3 *TASS*—Bloody clashes between government troops and armed units of the Tajik opposition are continuing in Tovil-Dora district of Tajikistan, the Pamir foothills (approximately 280 kilometres to the east of Dushanbe). Judging by everything, the irreconcilable wing of the armed Tajik opposition is still set on seizing power in Tajikistan by force in spite of the repeated statements by participants of the intra-Tajik dialogue about their adherence to peaceful political means in the effort to settle the conflict.

ITAR-TASS has learned from sources close to the opposition in Dushanbe that the mujahidin, numbering up to 1,500, have been conducting a successful offensive during the past three days against troops of the Tajik

Defence Ministry. They have captured the village of Mienadu and several nearby strategically important heights. They also occupied on September 8th the village of Langar, the logistics base of the government forces.

The foregoing sources claim that the Tajik mojaheeds are well armed and know well the local geography. They enjoy the support of the population, which is sick and tired of the behaviour of government troops, who are "looting them and marauding". This, undoubtedly, contributes to the opposition forces' successful advance into the hinterland and to the expansion of their place d'armes for further military operations in central Tajikistan. They also claimed that the National Army was hastily retreating. Its losses run into many dozens of men.

The escalation of hostilities in the Pamir foothills has produced a new wave of refugees, fleeing from the combat zone. *ITAR-TASS* was told today by telephone by Ulfat-Khanum, coordinator of the political council of the Gorno-Badakhshan democratic opposition that more than 80 refugees, mainly old folk, women and children, had already arrived in the areas of Pamir bordering on central Tajikistan. The local authorities are providing them with temporary housing and food. At the same time, the representative of the Pamir opposition flatly denied rumours that the people of Badakhshan were rendering armed support to Tovil-Dora opposition forces. "Pamir had declared itself a zone of peace two years ago. It remains neutral in the armed confrontation between the troops of the central government and the resistance units operating in the Pamir foothills," Ulfat-Khanum stated.

The reaction of official Dushanbe to the situation in the Tovil-Dora district remains obscure for representatives of the mass media and the Tajik public. However, information has leaked out that Vice-Premier Mahmadsaid Ubaydulloyev who is responsible for the republic's security and defence, had described it as extremely critical to the Tajik Council of Ministers, which met here on September 8. In fact, he admitted that the Armed Forces of the republic were suffering heavy losses in clashes with the armed opposition. However, *ITAR-TASS* was unable to get more detailed information about the situation in the Pamir foothills from any of the official sources.

According to a high-ranking representative of the Tajik Defence Ministry, "exhaustive information will be provided to the press in due time". He refused to confirm or deny reports from opposition sources on the dramatic events in Tovil-Dora district.

Opposition Forces Take Control of Darvazskiy Rayon

LD0809171894 Moscow *Mayak Radio Network in Russian* 1530 GMT 8 Sep 94

[Text] In the Tajik Pamir, armed formations of the Tajik opposition have taken control of the Darvazskiy Rayon

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of the Gorno-Badakhshan Autonomy. This rayon is an important strategic bridgehead for reunification with the Pamir region opposition detachments and for subsequently expanding actions against Tajikistan's state forces.

In the near future, the opposition plans to transfer the so-called government in exile, based at present in Afghanistan, here, to the rayon center.

Claims of Islamic 'Mercenary' Involvement

MM0809123794 Moscow KRSNAYA ZVEZDA in Russian 8 Sep 94 p 3

[Report by Vitaliy Strugovets: "Mercenaries Are Firing on Us"]

[Excerpts] The inter-Tajik conflict has already ceased to be a purely republic or even internal CIS conflict. Citizens of third states are playing an increasingly active part in it, and traces of foreigners are becoming increasingly noticeable. Documents confirming this were submitted during a meeting with journalists at the Russian Federal Border Service [FBS].

"This war, like others, depends to a considerable extent on the human factor, that is, on morally and physically trained people. It is primarily a case of political and ideological confrontation waged by military methods. We are required to be firm. We must not contemplate a peaceful settlement. An armed struggle is necessary, accompanied by a propaganda campaign. There is no need to be afraid of casualties. The regime's brutality toward the population in connection with the mojahedin's actions is the best gift for the jihad. But if political use is not made of this with a clearly designated program objective, all the casualties sustained will have been in vain and our only option will be to remember those who have fallen in battle."

The above is a quotation. From an instruction printed in Arabic.

Fulfilling it, mercenaries from Oman, Libya, Iran, the UAE, and other Arab countries, confident of the correctness of the jihad, are heading for hard-line Tajik opposition detachments in Afghanistan. How? The answer to this question comes in a letter from one mojahedin to Brother Yakub in Ogaden.

"You can come here on 'Islamic Aid' aircraft flying from Peshawar to Kondo or Takhar. I do not advise you to cross Afghanistan by car since that is very hard for Arabs and colored people (owing to the Shiites and other nationals).

"Should you require help contact the Abdalla Garam [as transliterated] Bureau or others (the 'Jihad' organization or the 'Jamiat-e-Islami' organization in Egypt)."

Then there is training in special camps situated in the Afghan provinces of Samangan and Takhar. Thorough training, we would point out. The Russian border guards

who took part in the fighting against the mojahedin note the growing skill of their artillerymen, demolition experts, and communications personnel. The "hard-liners" command and control of the detachments has also improved considerably. That is not surprising. Summaries of lectures given by foreign instructors training the gunmen were presented here at the FBS. Beautiful Arab script accompanied by the necessary plans and drawings set out the scenarios for attacks on border details and posts, eliminating guards, and destroying guns, tanks, and armored personnel carriers under cover, as well as a sequence of actions for use by sabotage groups attacking automobiles and buses. Another synopsis provides recommendations as regards orientation in a strange locality and the principles for determining the coordinates of installations being reconnoitered. A demolition expert's small notebook contained instructions for the manufacture of explosive devices. As well as tables of radio communication codes and mortar, anti-tank rocket launcher, and large-caliber machinegun firing tables. There are separate details of the structure of a group of gunmen and the factors promoting the success of an operation, namely surprise, superior firepower, morale, choice of target, speed....

For all their commitment to Islam, the mercenaries do not forget money either. Two receipts for deposits of \$180 and \$200 in the International Bank of Oman fell into the hands of border guards.

What is the fate of foreign citizens held in the combat zone? According to Colonel Aleksandr Malakhov, a Russian Federation Border Troops Intelligence Directorate section chief, they are all handed over to Tajik security organs. It is not known what happens to them next. Although the officer hypothesized that those who are transferred to Gorno-Badakhshan's territory end up "home" extremely rapidly. The rest are kept in custody waiting for trial, at which evidence of the mercenary's involvement in combat operation must be presented. If there is no concrete proof he is released. And the gunman once again joins the hard-line detachments, which, according to FBS data, number 3,000 to 5,000 men. Of whom around 500 are foreigners.

Rakhmonov Notes Struggles of Independence

LD0809173694 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 8 Sep 94

[Address to the nation by Tajik Supreme Council Chairman Emomali Rakhmonov marking third anniversary of independence; place, date not given—recorded]

[Excerpts] Dear countrymen! Our newly established republic will be celebrating the third anniversary of its independence and freedom. I sincerely congratulate all of you on this occasion of the third anniversary of the independence of the Tajik Republic.

Our celebrations coincide with celebration of the millennium of the eternal (Shahnama), coinciding with the

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independence celebrations of the republic. Guests from all over and representatives from fraternal peoples have come to celebrate this event.

Independence is a great, sweet, and important gift. Every nation and state fights for it: independence is the honor, well-being, and hope of every citizen. We were unable to take full advantage of great economic, social, cultural and spiritual possibilities, which are the basis of independence. There are different reasons for this. Foremost, the breakdown of the Union, of socio-economic ties between the ex-Soviet republics, the breakdown of the single monetary system. This destroyed the economies of all the newly independent states, including Tajikistan.

During the three years political conflicts and senseless bloodshed were evident. During these three years the head of state of Tajikistan and members of the government of Tajikistan changed six to seven times. The conflicts changed into wars. The [word indistinct] of the Tajik people must have been made of (?stone) to have tolerated all this. I am thankful that the Tajik state did not split into pieces and was able to survive the difficulties and pull itself towards tranquillity.

The contribution of all the enlightened strata of the population, all those who fought for the legal state is great. Struggle is not only taking arms and fighting but using all ones strength for the nation the state, to protect the nation like ones mother, share its moments of happiness and sorrow, and not be indifferent to its social and political life but be creative. I would like to say that during the most difficult days [words indistinct].

The CIS countries, foremost among them Russia, Uzbekistan, and Kazakhstan, and other close friends have helped and supported us. Our people will never forget the important assistance rendered by the UN, other international bodies, and foreign countries in strengthening our independence.

Irrespective of the efforts of the state and government the social situation brought many difficulties for us. We understand all this and are doing everything we can to overcome all the shortcomings and mentioned problems. So as not to break our promises to the people and to determine the [words indistinct] of our people I believe that the two existing tasks need to be differentiated.

First, there are tasks which are tied with the socio-political life of the society, and ensuring the security of the citizens. The other tasks are tied with the economic and material life of the people, and in general with the current situation in the national economy. These tasks are strongly tied with one another. It must be said that the ways for tackling them are tied with various factors. Today everyone is witnessing that tackling these problems are associated with the stabilization of the socio-political situation in society, ensuring the security of the citizens, establishing order, and supervising the work of the leading organs in the center, rayons and [words indistinct].

I would like to say to the esteemed countrymen that during the one-and-a-half years we formed our national army, the border forces, and other state organs. They are the pillars of the independence of our state. Taking this opportunity I would like to wish many successes to all our brave and patriotic servicemen, faced with a difficult and honorable task, who are ensuring peace and tranquillity in the country. On this day I would like to express the gratitude of the people of Tajikistan to the units of the border forces of Russia and the joint peace keeping forces who are ensuring the security of the borders of Tajikistan and the southern borders of the CIS. It is necessary to say that what we have achieved has not been achieved easily. With what difficulties and sacrifices did we manage to save republic from a prolonged war which could have turned the newly created Tajik state into ashes? You judge it for yourself. This achievement is only small.

Now to economic issues. This is one of the most urgent issues today. It must be noted that economic difficulties exist in all CIS states. They have not been able to tackle this as yet. Then what of Tajikistan, which experienced a destructive war? Our economic situation is tied with many outside factors: entering the ruble zone, re-establishing former economic ties, foreign aid, international organizations, and similar things. The leadership has taken necessary steps toward this. Talks have taken place with Russia and ways of tackling these economic difficulties are being studied. It is hoped that in the near future we will progress in this area.

The economy in the countryside, irrespective of fuel shortages, has managed to yield good crops this year. The task now remaining is the collection of the crops through the difficult and hard work of the workers in the agro-industrial complex. If every citizen participates in overcoming the difficulties as a resident of Tajikistan, as a Tajik, as a Tajikistani, and a child of a sick and dependent mother we can save the country. We must do this work.

This is our duty to the fatherland. We ought to understand that only we ourselves can ensure the freedom, well-being of our country. The time has come for us to [word indistinct]. Our people are still dispersed. On the occasion of the third anniversary we were unable, unfortunately, to be together. Currently 10,000 to 12,000 of our countrymen are in Afghanistan, and about 150,000 are in CIS countries. This is one of the reasons why we delayed the elections. [Words indistinct]

The breakdown of the Somalian state was because of war. This war broke our one heart to pieces, made people refugees, and one another's enemy. For this reason the current government of Tajikistan wants to return its people to the country. We want this [word indistinct].

Independent Tajikistan must not have a refugee child. The fate of the refugees [words indistinct]. The wishes and prayers of the people of Tajikistan are that peace and

tranquillity come as soon as possible to the Afghan brothers and an end to the senseless and fratricidal war.

Esteemed fathers, mothers, sisters and brothers! I am confident that we will celebrate the fourth anniversary of the independence in a country with a new constitution, an elected president, a unified nation, a healthy economy, and in a calm and peaceful country. I am hoping this from God!

Let me now talk a little about the elections and the referendum. Yesterday, the 20th session of the Supreme Soviet was convened, and it set 6 November as the day of election for the president of the Republic of Tajikistan and the referendum. The session approving the national anthem of Tajikistan is a happy occasion. This is a great event in the new history of Tajikistan. We want the [words indistinct] to participate in the elections through legal means. We do not have friends or enemies in the elections. We have one aim in the election—this is Tajikistan. It is hoped that the new constitution will be approved in a democratic way and that the head of our state will be elected so he can take the republic on the path of statehood and independence. [words indistinct]

At this point most countries have recognized Tajikistan. We have become a member of the UN and other international organizations. Embassies of many big countries are working our country. We have concluded agreements on economic cooperation with a number of developed countries and their businessmen and hope that they will be expanded. Currently hundreds of small and large enterprises are being built in our republic. Some of them have started production while others will be operational in the coming years. I must also stress another thing. A number of joint enterprises are contributing toward the development of our economy and the development of culture and science.

Esteemed countrymen! I would like to appeal to you all, irrespective of the difficulties, lack of cash [words indistinct] to fight for the well-being of your country, family, and your children. I am fully confident that the country will be built and our people will be [passage indistinct]

Calls For End to Fratricide

LD0909063194 Moscow ITAR-TASS World Service in Russian 0538 GMT 9 Sep 94

[By Itar-Tass correspondent]

[Text] Dushanbe, 9 Sep—Emomali Rakhmonov, head of the Tajik state and chairman of the Supreme Council, called upon his fellow countrymen to ensure the unity and integrity of the nation and to put an end to the fratricidal conflict as soon as possible. In his television address to the people of Tajikistan on the third anniversary of the republic's independence today, he stressed that the holiday was taking place in most difficult political and economic conditions exacerbated by the recent civil war.

Emomali Rakhmonov pointed out that the leadership of Tajikistan was and is for accelerating peaceful civilized dialogue with its political opponents and is ready to renew this dialogue immediately. The Tajik leader expressed gratitude to all states and international organizations; and to the leaders of the CIS countries, especially to the Russian Federation for the great political and economic support for his country in settling the inter-Tajik conflict.

A ceremonial meeting will be held in the Tajik capital today on the occasion of the third anniversary of the republic's state independence. There will be a salute in the evening in Dushanbe in honor of the holiday.

Opposition To Boycott Presidential Elections

LD0909112594 Moscow INTERFAX in English 1022 GMT 9 Sep 94

[Text] In an exclusive interview with Interfax one of the most influential opposition leaders Akbar Turadjonzoda said Thursday [8 September] that the Tajik opposition will boycott presidential elections and a constitutional referendum scheduled for November 6.

The former head of the Islamic Board of Tajikistan and current deputy chairman of Tajikistan's Islamic Revival Movement said fighting would go on unabated on the Tajik-Afghan border until Dushanbe agrees to sign a provisional cease-fire agreement.

The Iran-based leader said the escalated fighting had forced the Dushanbe government to reschedule the elections from September 25 to November 6 and resume dialog with the opposition.

Turadjonzoda said the opposition was refusing to take seriously Emomali Rakhmonov's call for active participation in the elections and his pledge of personal safety.

Turadjonzoda stressed that the opposition was making no bid for power. It suggested that an interim popular trust government should be installed, he said. An interim government must bring together scholars and research workers, business people and representatives of those areas that took no part in the civil war.

Once peace was restored, the refugees returned to their homes and all political parties and the media was again free to function, Turadjonzoda said, Tajikistan would have to adopt a new constitution and elect a new president.

The opposition was ready to talk peace and sign a cease-fire agreement, he said, but first the Dushanbe troops must lay down arms. The opposition would follow suit.

As long as an interim government remained in power, Turadjonzoda said, a joint peacekeeping contingent would protect the national borders and emissaries of international organizations would monitor the realization of Dushanbe-opposition agreements.

Turkmenistan

CIS Draft Interstate Economic Accord Unacceptable

LD0809195994 Moscow INTERFAX in English 1853 GMT 8 Sep 94

[Text] Turkmenistan cannot accept the draft agreement on the inter-state economic committee of the CIS in its current form, Turkmenistan's Vice Premier Boris Shikhmuradov told a press conference in Moscow.

The draft agreement will be submitted to the CIS summit to be held in Moscow on Friday. By agreement of the partners, the inter-state economic committee will perform not only coordinating, but also control and distribution functions.

Shikhmuradov did not agree that Turkmenistan had a special position on the CIS. He said that his republic was a member of the CIS and strictly observed its charter.

He also announced that during President Niyazov's forthcoming visit to Moscow an agreement will be signed on the protection of the rights of ethnic minorities in Russia and Turkmenistan. He said that Boris Yeltsin's visit to Turkmenistan last year put bilateral relations on a practical footing. He also expressed confidence that Niyazov's visit to Russia will give a fresh impetus to Russian-Turkmen relations.

He stated that Russia was Turkmenistan's major ally.

No Grain Self-Sufficiency Despite Record Harvest

MM0809135794 Moscow ROSSIYSKAYA GAZETA in Russian 8 Sep 94 First Edition p 6

[Report by Grigoriy Smolnikov: "Turkmenia: Record Harvest Fails to Solve Problems"]

[Text] The grain harvest in Turkmenia [Turkmenistan] is over. For the first time in the republic's history 800,000 tonnes of wheat and barley have been harvested.

But Agriculture Minister B. Meredov, who recently "flew off" from his post, was not expecting any ceremonial fanfares.

The fact is that President Saparmurad Niyazov had set the task of achieving "grain independence" this year—which requires no less than 1 million tonnes of grain to be dispatched to the granaries. But everyone's hopes have been dashed by the low yield—averaging just 13 quintals.

As is well known, the Turkmenbashi [Niyazov] has promised that in two years' time bread and flour in the country will be free of charge. Incidentally, even now a loaf of bread in Turkmenia is 10 times cheaper than a glass of fizzy water. But there is a long way to go before supplies are abundant.

Incidentally, Turkmenia is not planning to make up for its grain shortage by buying from the Commonwealth countries—the price would be too steep. Firms from Turkey, Argentina, and the United States have already offered their services to Ashkhabad [Ashgabat].

Plans To Buy 'Large Consignment' of U.S. Combines

MM0809115994 Moscow IZVESTIYA in Russian 8 Sep 94 p 1

[Report by Gennadiy Charodeyev: "U.S. Combine Harvesters To Help Turkmen Grain To Be Free"]

[Text] Turkmenia [Turkmenistan] will be able to supply its citizens with free grain products as of 1996.

Citing the Ashkhabad [Ashgabat] government in confirmation of this report, Kamil Kalandarov, press attache at the Turkmen Embassy in Russia, also announced that by 1996, according to specialist forecasts, grain production in the republic will have increased to 2 million tonnes. The main problem with the current harvest is that there are not enough grain harvesting machines. By decision of the authorities funds have already been allocated for the purchase of a large consignment of U.S. combine harvesters.

Azerbaijan

Roundup of Latest Developments in Azerbaijan

MM0809124194 Moscow NOVAYA
YEZHEDNEVNAYA GAZETA in Russian 8 Sep 94 p 2

[Roundup of news reports by Eldar Zeynalov under the general heading "Azerbaijan"]

[Text]

The Mountain People Are Genuine, Their Money Is Not

Baku—Increasingly often recently the Azerbaijan police have been detaining inhabitants of the North Caucasus carrying large sums of forged foreign currency. For example, during a document check in the Baku subway on 1 September, one inhabitant of Dagestan was detained carrying 2 million forged Russian rubles, while a few days earlier 27,000 forged U.S. dollars were confiscated from two Chechens.

Saved by the Sea

Cargo destined for Azerbaijan but blockaded in Russia because of the instability in Chechnya has begun to be delivered by sea via Astrakhan.

No Respect for Deputies' Mandates

According to reports from opposition sources in Azerbaijan, a police operation to disarm People's Front militants who had violated the cease fire with Armenia was followed by the arrest of oppositionists and even included people's deputies with legal immunity in the Nakhichevan Autonomous Republic's Sharurskiy Rayon. In particular, four deputies of the Nakhichevan Autonomous Republic Supreme Mejlis were arrested in Ordubad and eight deputies of the rayon mejlis were arrested in Dzhulfa, while Rayon Mejlis Deputy Shakhmardan Dzhaferov, leader of the Sharur militants, has gone underground and is effectively an outlaw. In all around 65 members of the People's Front of Azerbaijan have been arrested although the authorities are admitting to the arrest of only 12 people.

Aliyev Cairo Press Conference Reported 7 Sep

NC0809193594 Baku Azerbaijan Radyo Televiziyasi
Television Network in Azeri 1600 GMT 7 Sep 94

[Speech by President Geydar Aliyev on his talks with UN Secretary General Butrus Butrus-Ghali and Vice President Albert Gore at his press conference in Cairo on 7 September—recorded]

[Text] [Begin Aliyev recording] I held extensive talks with UN Secretary General Butrus Butrus-Ghali when I arrived in Cairo on 5 September. We held talks on Azerbaijan's position in the world, the war between Azerbaijan and Armenia, the Armenian aggression against Azerbaijan, and the occupation of a part of

Azerbaijan's territory. It is common knowledge that the UN Security Council has adopted four resolutions on the occupation of Azerbaijan's territory. It called for the unconditional withdrawal of the Armenian military forces from the occupied territories. Regrettably, it has not been heeded thus far.

We have held talks with UN Secretary General Butrus-Ghali on the peaceful settlement of the dispute between Azerbaijan and Armenia. All that will be discussed with Butrus-Ghali during the UN General Assembly meeting at the end of September.

I held talks with U.S. Vice President Albert Gore today. The meeting was very important. I am very satisfied with our talks. We discussed the further improvement of relations between Azerbaijan and the United States. We exchanged views on the effort that is being made to find a peaceful way to end the war between Azerbaijan and Armenia. The two sides agreed that the United States should play an important role in that matter.

We also held talks on the improvement of the economic relations between the United States and Azerbaijan. I informed him of the talks the Azerbaijan State Oil Company has held with the consortium of Western oil companies. We agreed that the talks must be concluded and the necessary contracts must be signed. [end recording]

Funds Needed To Combat Butterfly Plague on Crops

MM0808114994 Moscow RABOCHAYA TRIBUNA in
Russian 7 Sep 94 p 4

[Report by Ali Naibov: "But the Butterfly Beats Its Wings Continually"]

[Text] Baku—The current early fall in Azerbaijan is like a late spring. Fruit trees stand bathed in white as if there were preparing to become heavy with sweet ripe pears, amber-colored quinces, soft peaches, or honeyed figs. But you only have to shake the trunks and the "flowers" become a dance of innumerable cabbage butterflies [belaya babochka]. Behind the cloud of them which has cleared for a moment, bare branches are exposed which are not heavy with fruit as they have been devoured.

The American cabbage butterfly which has arrived here in transit from Dagestan is similar to the locust. It eats everything: about 300 types of plant. Any fruit, vegetables, or nut-bearing plants, with the exception of perhaps only the olive tree—the American lady cannot get its teeth into its coarse leaves and bitter fruit. This little monster is no longer than 3.5 centimeters and during the 8-10 days of its life is capable, if nothing stands its way, of destroying up to half of all cultivated flora. But fighting the white moth is costly: The most effective agent against it is antifrid [term as transliterated], which is purchased for hard currency. At the moment only 500

kilograms of this insecticide have been stockpiled in the republic. Some 10 times more is required to beat the uninvited guest.

The wholesale felling of fruit trees which has begun on the Apsheron Peninsula bears witness to the seriousness of the situation. In this way planters and dacha owners are hoping to escape the refugee. It is not out of the question that this will help: The butterfly will have nothing to eat, though neither will we.

A conference has taken place within the apparatus of the head of Baku's executive which was given over to the gluttonous butterfly; a memorandum was prepared for the Cabinet of ministers, and funds were requested.

Georgia

Russian Peacekeeping Forces Take Control of Armory

NC0809191294 Yerevan SNARK in English 1336 GMT 8 Sep 94

[Text] Sukhumi, September 8 (SNARK)—Armor hardware of Georgian armed formations has been taken under control by infantry battalion of Russian peace-making forces, in present based on alpine village Adgara [place name as received]. SNARK got this information in the Defence Ministry of Republic of Abkhazia.

A dislodge of Georgian formations from Codore ravine is planned.

Shevardnadze Seeks Essentials for Army

LD0809213994 Tbilisi SAKINFORM in Russian 1713 GMT 8 Sep 94

[Text] As a result of the grave economic crisis in the country, numerous problems have accumulated in providing the young Georgian Army with foodstuffs and equipment. These problems need an urgent settlement.

Speaking at a meeting of the Cabinet of Ministers, Georgian Head of State Eduard Shevardnadze said that it was better not to have any army than to keep it hungry. He suggested that a special state commission headed by the prime minister, and branch commissions headed by the deputy prime ministers be set up. These commissions will have to study all problems concerning the army and work up a program to secure the provision of the personnel of the Georgian armed forces with all essentials.

Human Rights Body on List of Political Prisoners

LD0809120994 Tbilisi IPRINDA in Russian 1120 GMT 8 Sep 94

[Text] Tbilisi (IPRINDA)—A news conference chaired by Giorgi Kervalishvili, president of the Human Rights Association of Georgia, was held in Tbilisi today. According to Kervalishvili, instances of the breaches of human rights

have been registered in the republic. For instance, there are political prisoners in Georgia (supporters of the former president who are charged with terrorism) on whom psychological and physical pressure is being exerted and their lawyers are being threatened. Kervalishvili noted that the International Human Rights Association has recognized a list of 76 political prisoners in Georgia. Representatives of the German Embassy and the CSCE mission in Georgia attended the news conference.

Delegate Reports Tension in Refugee Talks

LD0809191394 Moscow INTERFAX in English 1314 GMT 8 Sep 94

[text] On Thursday a leading member of the Georgian delegation to the refugee commission Tenghiz Sharmanishvili told Interfax that the negotiations on the repatriation of those who fled Abkhazia were difficult and could break up any moment.

Nonetheless, Sharmanishvili said, an information bulletin on the repatriation had been phrased and would be spread among the refugees. The returning refugees would no longer be expected to sign an oath of loyalty in Abkhazia, he said. The commission held its latest sitting on September 6 in Sochi.

Agreement, however, was reported only on the problem of the oath of loyalty. Sharmanishvili pointed to "serious differences on all other issues." He said the Abkhaz authorities stubbornly refused to consider questionnaires filed out by refugees and linked the repatriation to the pullout of the Georgian government troops from the Kodor gorge and the introduction of Abkhaz rule in that area.

According to Sharmanishvili, the commission is to meet again on September 28 in Sochi. On September 27 its members will get acquainted with the situation in those villages of the Gali District which will be the first to receive the refugees.

Ministry Denies Date Named for Refugees Return

LD0809214094 Tbilisi SAKINFORM in Russian 1541 GMT 8 Sep 94

[Text] The press service of the Georgian Defense Ministry has made a statement. The statement says that some sources have disseminated reports alleging that Georgian Defense Minister Vardiko Nadibaidze has named 15 September as the date when the return of refugees to Abkhazia will start. The statement further says that the minister has never mentioned the concrete terms of the return of refugees. Moreover, any detailed commitment in the present situation will prove irresponsible and cause agitation among the population, and especially among the refugees.

Abkhaz Militants Said To Obstruct Refugees' Return

LD0809212194 Tbilisi SAKINFORM in Russian 1541 GMT 8 Sep 94

[Text] According to reports from Abkhazia, the criminal situation in Gali Rayon keeps getting worse. The main reason is that police squads, almost completely made up of those who fought against Georgian troops, have not received their wages for a long time and have taken to robbing the population. To ease the situation, the Abkhaz authorities set up special points where members of these squads can get foodstuffs forcibly taken from ethnic Georgians. Several families from the village of Otobaya, who failed to deliver foodstuffs to one of these points, had to leave their homes and flee to Zugdidi Rayon.

Abkhaz militants have been gathering in Ochamchire Rayon lately. They say that even if the Abkhaz authorities make a decision on the return of refugees to the rayon, they will not allow this to happen.

Official Denies Shevardnadze Asked EU for Economic Aid

LD0809194294 Moscow INTERFAX in English 1458 GMT 8 Sep 94

[From the "Presidential Bulletin" feature; compiled by Nikolay Zhrebisov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[Text] The Georgian leader's adviser Gela Charkviani has denied widespread speculations of Eduard Shevardnadze's call this week on European Union [EU] leaders for economic aid to his country.

Speaking on Wednesday, Charkviani said Georgia had received a \$ 100 million humanitarian aid from EU countries following Shevardnadze's letters to EU leaders in June.

Some reports say Shevardnadze has called on EU nations for urgent food supplies earlier this week because of the threat of impending famine in Georgia.

In the meantime, the Georgian government says the country's social and economic plight remains critical.

Industrial output fell by 60.7 percent in the seven months to August compared with the same period last year. More than 30 percent of plants are at a standstill with the remainder working under capacity, according to the government committee for social and economic information.

Farm production is also at rock bottom and the 52, 800 tons of grain taken in this year could barely cover the country's average monthly need for grain. Tea and wine producers are badly hit just as animal husbandry and meat production.

The committee says there is a substantial fall in energy production and that the national energy suppliers, Gruzenergo, will be able to cover only half of the country's daily energy needs in the coming winter.

The minimal consumer basket ran at 39.8 million local coupons or Rbl 74,000 per head at the beginning of August at a time when minimal pay is Rbl 71 or 3. 3 cents.

Georgian Party Protests Russian, UN Observers

LD0809215994 Tbilisi Radio Tbilisi Network in Georgian 1950 GMT 8 Sep 94

[Text] A regular quadripartite meeting was held today at the headquarters of the Russian peacekeeping forces in Zugdidi Rayon. The Georgian party was represented by Major General Guram Nikoleishvili, deputy Georgian defense minister and the deputy commander of the peacekeeping troops. The Abkhazian party was represented by Ruslan Kishmaria. The UN observers were represented by General Hvidegaard and Colonel Laszlo Szabo, the head of the UN observers in Georgia. The Russian party was represented by Major General Vasilii Yakushev, the commander of the Russian peacekeeping forces.

Special attention was focused on the current situation in the Kodori gorge. Maj-Gen Guram Nikoleishvili protested against the lawlessness currently observed in Abkhazia on the whole, and in the security zone in particular. He emphasized that this did not trigger a proper reaction from the Russian peacekeeping forces and neither did the UN observers seem to take any notice of this.

General Hvidegaard made a report about the Geneva quadripartite talks and said that the Georgian and Abkhaz parties were ready to promote the return of the refugees. This was also confirmed at the Sochi meeting of the quadripartite commission.

The parties confirmed their positive attitude toward the operation of the Inguri power station at its maximum capacity. They emphasized a need for normal living and working conditions for power engineering specialists.

Detailed problems of restoring a telephone link between Gali and Zugdidi rayons were also discussed.

This report has been supplied by the Center for Securing Information on the Settlement of the Abkhazian Conflict.

Shevardnadze Appoints CIS Forces Representative

LD0809205494 Moscow ITAR-TASS World Service in Russian 1010 GMT 8 Sep 94

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi, 8 Sep—By an edict of Eduard Shevardnadze, the head of the Georgian state, Lieutenant General Vladimir Chikovani has been appointed the republic's permanent representative at the CIS Joint Armed Forces' General Staff.

Vladimir Chikovani is a graduate of the Leningrad Military Engineering Academy named after Mozhayskiy. He commanded various subunits of the space missile troops. After his transfer to the reserve he returned home

to Tbilisi and for several years worked in the Georgian Ministry of Internal Affairs. Since 1992 he has been commander of the Georgian internal troops and the principal military adviser to Eduard Shevardnadze.

Estonia

Coalition Partners Urge Premier To Resign

LD0609135994 Tallinn Radio Tallinn Network in Russian 1200 GMT 6 Sep 94

[Text] The boards of two Estonian Government coalition parties, the Social Democratic Party [ESDP] and the Rural Center Party [EMKE], today proposed that Prime Minister Mart Laar resign. This was announced at a press conference by the Moderates parliamentary faction which includes members of the ESDP and the EMKE. At the same time, the ESDP board proposed to its coalition partners that government coalition activities be discontinued.

Apart from this, Marju Lauristin, minister of social affairs and ESDP leader, forwarded to Mart Laar a personal statement asking the prime minister to consider resigning. Marju Lauristin told the press conference that she expects a reply from Mart Laar to her statement by 16 September.

Additional Details of Rubles Deal Cited

MM0809093394 Moscow IZVESTIYA in Russian 8 Sep 94 p 3

[Report by Leonid Levitskiy: "Rubles More Valuable to Estonia Than Signed Treaties"]

[Text] Tallin [Tallinn]—IZVESTIYA has already reported that former Estonian Prime Minister Tiit Vahi has accused the current Mart Laar government of selling rubles collected during the monetary reform of 1992 to Chechnya. The coalition party has demanded an explanation of how many dollars were obtained and by which accounts.

Mart Laar reacted instantly, stating that he knew nothing about it and that money is the province of the Bank of Estonia. But the bomb thrown by the coalition party produced such shrapnel that holes were pierced in the curtain of state secrecy.

It transpires that in June 1992 the Bank of Estonia "bought up" 2.2 billion rubles [R] from the population and firms. At the time the dollar stood at approximately R120—the equivalent of \$18.5 million. Under an inter-governmental agreement Estonia pledged to return the rubles withdrawn during the reform to the Central Bank of Russia. Unfortunately, the procedure and conditions for the transfer were not defined, but the money has still not reached Russia.

The document was signed by the Yegor Gaydar and Tiit Vahi governments—both were soon on the way out. Mart Laar, who replaced Vahi as both premier and chairman of the Committee for Monetary Reform, "denounced" the treaty. He now explains this as follows: "The government received numerous proposals to sell the rubles for dollars. Our many international advisers recommended that we sell the rubles. At the same time, the government was experiencing a serious shortage of

funds. The social fund needed money. Talks were under way about an arms purchase. The dollars on offer promised at least some kind of solution...."

The government started hastily seeking out the most reliable intermediaries capable of selling the rubles with the least danger and publicity for Estonia. Intermediaries were found, although they proved very, very expensive—if we believe the coalition party experts—and the deal was organized by Tiit Pruuli, a Mart Laar adviser. In the space of three months, to 23 March 1993, the government received from the Bank of Estonia and transferred to intermediaries almost R1.5 billion.

Estonia received \$1,916,000 for a total of R2,264 billion. This was just one-tenth of the Russian currency's value at the time of reform. Nobody knows how much went into the pockets of the intermediaries and the others involved in the deal. The Committee for Monetary Reform considers the illegal, or at best semilegal, currency trade to have been a profitable operation—treasury coffers were swollen to the tune of \$2 million and the warehouses emptied of their "waste paper."

The only people currently talking about the drawbacks of the deal are those without high state powers. Sooner or later it will affect Estonia's international prestige. And the damage to relations with Russia will cost more than \$2 million. Many people are also embarrassed about the ethnic angle. The incident was reminiscent of deals at state level. Estonia has sunk to the level of speculating on the currency black market. The Committee for Monetary Reform did not name the country to which the money was sold. And how can you call Chechnya a country if it is part of the Russian Federation? The banks through which the operations were conducted and the intermediaries were also anonymous.

It is quite possible that there will be a major political scandal in Russia as well. We cannot avoid the issue of the ease with which international agreements are signed and the complete absence of controls over their implementation. Yegor Gaydar left the main government office "forgetting" that he had personally come up with the treaty with Estonia on the return of the rubles. But there was still a government and numerous services. They were obliged if not to prevent the shadowy deal, at least to draw attention to it.

The scandal over the rubles affair will clearly sweep the Mart Laar government away. But the public is now concerned with something even more important than the premier's fate. The experts in Tiit Vahi's coalition party are claiming that Estonia lost at least \$1 million on the sale of the rubles. Who got that money?

Premier Accused of Violating International Agreements

LD0709225794 Tallinn Radio Tallinn Network in Estonian 1600 GMT 7 Sep 94

[Text] The political working group of the Consolidation Party states that the government lead by Tiit Vahi had

correctly fulfilled the international obligations which it took upon itself under an agreement when it collected the rubles withdrawn from circulation, informed Russia of this, and stored them in vaults of the Bank of Estonia.

The working group notes that withdrawing rubles from circulation and handing them over to the Russian Central Bank was a precondition from the International Monetary Fund for carrying out Estonian monetary reform. The Republic of Estonia had no right to sell the Russian rubles and the party's political working group thinks that the sale of the rubles amounts to emission of another state's money, which is a most flagrant violation of international practices and agreements.

Removal of Fuel From 1st Paldiski Reactor Completed

WS0909092294 Tallinn ETA in English 2018 GMT
8 Sep 94

[“News Release”]

[Text] Tallinn, September 8—On Wednesday work on removing the nuclear fuel from the first 90-megawatt reactor of the two Paldiski reactors was completed, Foreign Ministry press service informed ETA on Thursday. Work on removing the nuclear fuel of the second, 70-megawatt reactor will start next week.

The work has been going on without problems and ahead of the determined schedule, with the level of radiation being close to the natural level.

Russia has to dismantle the two reactors of the former Russian nuclear submarine training base near Tallinn by September 30, 1995 according to the Estonian-Russian agreement of July 30 this year. The rescue teams of both states started removing the nuclear fuel at the end of August.

CSCE's Van der Stoel Visits, Confirms No Rights Abuses

WS0909091294 Tallinn BNS in English 1312 GMT
8 Sep 94

[Text] Tallinn, Sep 08, BNS—CSCE High Commissioner for National Minorities Max van der Stoel today stated at a meeting with MP Vello Saatpalu, a member of the CSCE Parliamentary Assembly's standing committee, that he goes along with the June report of the CSCE mission to Estonia, according to which the mission hasn't uncovered a single case of human rights abuse during its years of working in Estonia.

The parties noted in the meeting that in Estonia, like in other countries, lower level bureaucrats may violate

human rights. Saatpalu pointed out to Stoel that Estonia's Russian-language media perceive those violations as general human rights abuses on the state level.

Saatpalu told BNS the meeting also touched upon the July 26 Estonian-Russian agreements and the problems related to their ratification. He emphasized that the ratification process may encounter problems in both the Estonian and the Russian parliament.

The Estonian MP gave to Stoel a letter from Russian Ambassador to the United Nations Yuriy Vorontsov about alleged human rights abuses in Estonia. Saatpalu asked the CSCE high commissioner to thoroughly study the letter and, if possible, speak up for Estonia.

Stoel had earlier today a meeting also with Citizenship and Migration Department Director General Mart Piiskop.

The CSCE high commissioner met yesterday with President Lennart Meri, Prime Minister Mart Laar, and Foreign Minister Juri Luik. He had talks with Veiko Jurisson, the chancellor of the Culture and Education Ministry, and other ministry officials, as well as with Timo Lahelma, the head of the CSCE mission to Estonia.

Mari-Ann Rikken, a Foreign Ministry spokeswoman, told BNS Stoel congratulated Luik on the completion of Russia's military withdrawal from Estonia and Latvia. The withdrawal of Russian troops is important for Estonia as well as for Europe as a whole, Rikken quoted Stoel as saying. Stoel and Luik discussed issues related to Estonia's temporary travel document—the substitute passport that Estonia issues to non-citizens—and assistance from the CSCE in teaching Estonian to the ethnic minorities residing in Estonia, as well as the role of the CSCE representative in the commission Estonia sets up to decide the issuance of residency permits to Russian military retirees.

Estonia raised in the meeting the question of Moscow's attitudes toward the Baltic state and of human rights abuses in Russia.

The Culture and Education Ministry press service told BNS the meeting between Stoel and Jurisson focused on the teaching of Estonian as the official language and on the integration of aliens into Estonian society.

The parties concluded that Estonia could and should make better use of international assistance in arranging language instruction. The ministry claims Estonia is ready to use available help, as the necessary language centers are already operational.

The CSCE high commissioner leaves Tallinn for the Latvian capital, Riga, later today.

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